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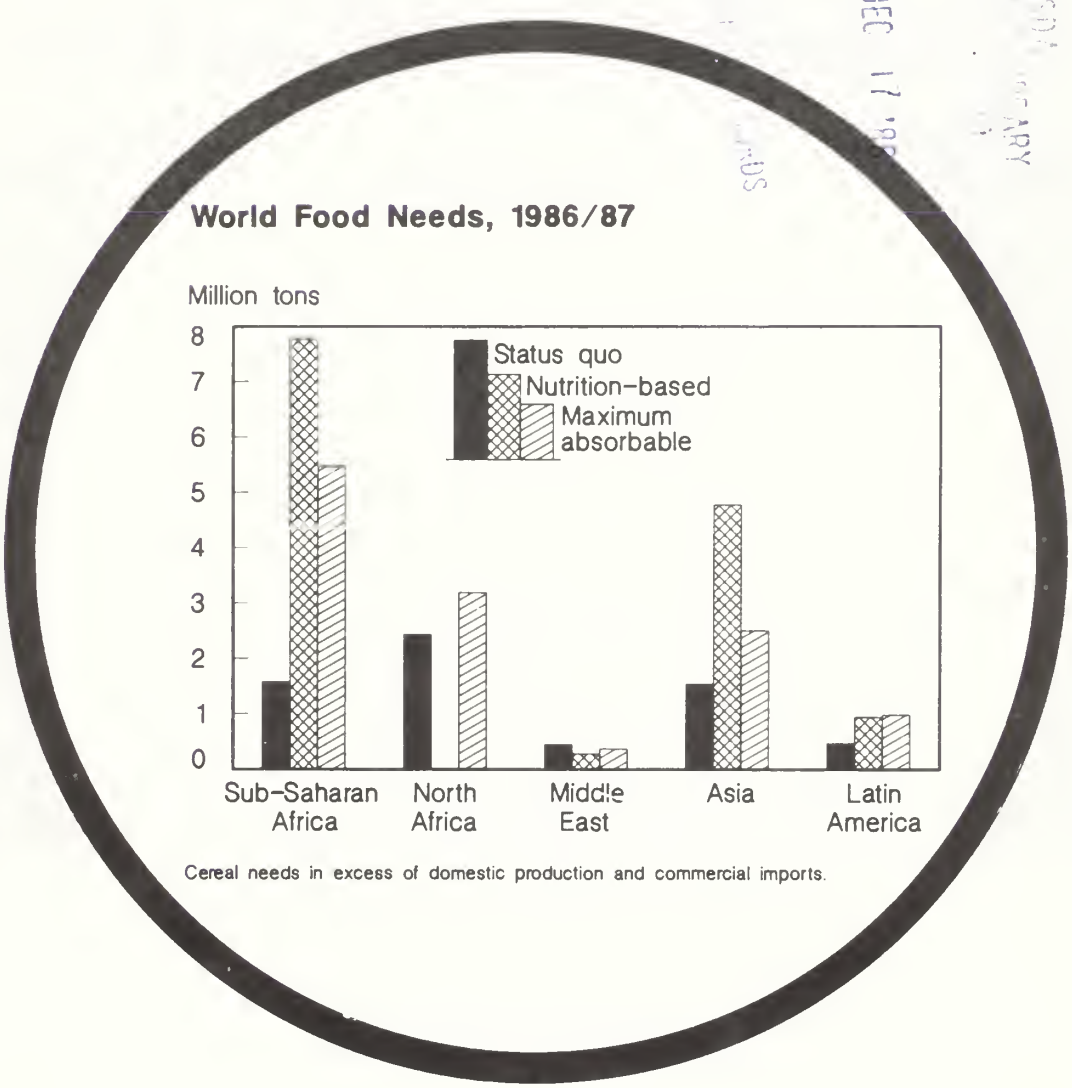
World Food Needs and Availabilities, 1986/87: Fall Update



PREFACE

As a result of a Presidential Initiative in the summer of 1984, an Interagency Food Aid Analysis Working Group was established to provide the U.S. Government with the best possible food needs assessment for countries in the developing world. This report is prepared under the aegis of the Interagency Working Group.

An assessment of world food needs has serious implications for both donor and recipient countries, and it has the potential to influence the expenditure of many millions of dollars and affect the lives of many millions of people.

It is, therefore, very important that readers clearly understand the issues that the Food Needs and Availabilities report addresses, and those it does not. This report is not an allocation or programming document, but an objective analytical assessment of food needs. Allocation and programming decisions are made in other forums and consider factors in addition to the food needs assessed in this report.

The assessment of food needs presented herein refers to the amount of food needed to cover the difference between a country's domestic food production plus its commercial import capacity, and either of two alternative measures of food need.

The status quo need is based on a country's recently achieved levels of food consumption, while the nutrition-based need is based on FAO's published information on minimum recommended dietary intake for each country. In addition, an estimate is made of the maximum absorbable imports if the highest historical levels of per capita total food use and carryover stocks were to be maintained. This assumes the food delivery systems in most food-aid-recipient countries have been "at capacity" at the highest historical level. None of these measures, taken individually, adequately reflects the range of objectives embodied within P.L. 480 legislation, nor does any one measure capture all factors considered in allocation and programming decisions.

The food need levels reported are for the marketing years 1986/87 and 1987/88. As with any projection, assumptions must be made about future events. The assessment of food needs is based heavily upon projections of food crop production and financial ability to commercially import food. Food production is subject to the vagaries of weather and commercial import capacity is influenced by various international commodity and financial market conditions. Since neither weather nor international markets can be predicted with certainty, the food need levels contained in this report are subject to change.

To reflect current crop conditions and import capacity, each country is reviewed quarterly and an updated food needs level calculated for those countries judged to be facing conditions significantly different from those at the last assessment. For this reason, readers are encouraged to acquire current reports to keep abreast of changing food need levels. Readers are further advised that both the methodology and the data used in the calculations are continually being refined. This effort reflects the continuing commitment of the U.S. Government to respond more rapidly and adequately to the needs of those countries where food commodity assistance can be used for humanitarian purposes and in the mutual interests of the recipient country and the U.S. Government.

WORLD FOOD NEEDS AND AVAILABILITIES, 1986/87

FALL UPDATE

NOVEMBER

1986

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FOREWORD

This is the initial update to World Food Needs and Availabilities, 1986/87. It includes current regional summary reports and revised reports for the 15 countries having significantly changed needs. Additional updates will be published in February and May 1987.

The annual reports and supplements serve both the requirement of P.L. 480, as amended, that "global assessments of food production and needs" be submitted to the Congress, and the food needs analysis function of the Interagency Food Aid Analysis Working Group. Information provided through these reports to the Executive Branch and the Congress is employed along with other information in making tentative fiscal 1987 and 1988 food aid budget allocations. The main report and the supplements are also intended to provide detailed updates on food supplies and additional food needs on both a country-by-country and a world basis. This information is also useful to program and policy officials within donor governments and food-aid-recipient countries, analysts in international organizations and universities, and private agencies involved in food aid distribution. The assembly and maintenance of data for the analysis of food needs is a joint effort of the U.S. Agency for International Development (AID) and USDA.

This report presents two alternative measures of the overall food import requirements (commercial plus concessional) and the additional food needs of each country for 1986/87 and 1987/88. The status quo and nutrition-based assessments are based on two different sets of normative judgments and assumptions regarding the role of additional food and the considerations that might govern its use. The basic assumption underlying the status quo assessment is that additional food would be needed to prevent food supplies, and hence consumption, from falling below recent levels. Meeting status quo food needs would in principle stabilize per capita use by filling shortfalls in domestic production and import capacity. The nutrition-based assessment addresses the continuing problem of undernutrition in many of the developing countries. The assumption is that additional food would be needed to close the gap between food availabilities and an internationally accepted minimum nutritional standard. The nutrition-based estimates thus provide an aggregate measure of the nutritional gap, net of recipient countries' capacity to import food commercially. Calculation of zero nutrition-based food needs does not mean all citizens have a nutritionally adequate diet. In developing countries, poor nutrition is frequently the consequence of poor income distribution.

Status quo food needs assessments are stabilized by the method of estimating annual base period per capita food use. Base period food use is calculated as the mean of the most recent 4 years that deviate less than one standard deviation from the mean of the most recent 8 years of record. The method is explained in the Methodological Notes section of the August 1986 report. Appendix A to the May, 1986 report presents the results of an assessment employing both the present and the earlier method of calculating base period per capita food use.

The most current available weather, crop production, and financial data were employed in making 1986/87 estimates. Food availability for 1987/88 is estimated from historical production. With new or changed crop information, production and additional food needs estimates change, sometimes sharply. The quarterly reports issued through the year provide users with assessments based on current weather and crop information. Current updates of assessments on individual countries are available from the Economic Research Service.

Estimates of commercial import capacity assume the continuance of recent experience in debt payment, and thus the availability of foreign exchange for commercial food purchases. Significant changes in debt payment performance would alter food import capacity and additional food needs.

Neither the status quo nor the nutrition-based food needs measures deals specifically with the ability of a country's infrastructure to absorb food aid without overloading port and transportation capacity, and storage and distribution systems. The maximum absorbable food imports assessment frequently limits the quantity of nutrition-based needs that can physically be provided. The "gap" between maximum absorbable and nutrition-based food needs is one measure of the seriousness of a country's food problem. In a very real sense, the magnitude of the task of achieving the financial and physical capacity to import food, or increasing domestic food production consistent with national food demand, is captured by this measure.

The import requirements and additional food need estimates in World Food Needs and Availabilities reports are based on national agricultural and economic data. These estimates assist financial and logistics planning by both donor and food aid recipient countries. It should be apparent, however, that additional food need levels are only a part of the calculus, and that delivering imported food to the communities that are deprived by national food production shortfalls or civil disturbances is a major undertaking. Factors bearing on success include local transportation and communications infrastructure, the financial status of both local and national public service agencies, and the availability of international financial support. The quarterly assessments of additional food needs are intended to add to the information available so that food and complementary financial and technical assistance can be made available in a timely fashion.

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Food Needs Analysis Coordinator

ACKNOWLEDGMENTS

Ray Nightingale directed the overall planning and preparation of the report. Regional coordination within the Economic Research Service was performed by: Margaret Missiaen (Africa and the Middle East), Rip Landes (Asia), and Chris Bolling (Latin America). Suzanne Marks revised and installed software to further automate base period consumption calculations. Leslie Ross and Richard Shelton provided support in running the country food needs model.

The International Economics Division economists providing analysis for the report included: Chris Bolling, Richard Brown, Mary Burfisher, Brian D'Silva, Gary Ender, Albert Evans, Amjad Gill, Rip Landes, Margaret Missiaen, Peter Riley, Nydia Rivera-Suarez, Leslie Ross, Mark Smith, and Larry Witucki. Dee Linse contributed for the Foreign Agricultural Service.

Statistical assistants and secretaries who helped prepare the report included Betty Acton, Rhodia Ewell, Jamesena George, Mary Oliver, and Alma Young.

Interagency Food Aid Analysis Working Group reviewers for the Agency for International Development included David Rhoad, Patricia Radar, Food and Voluntary Assistance, Henry Merrill, Africa Bureau, Don Sillers, Asia-Near East Bureau, Tom King and Steve Wingert, Latin American Bureau. Scott Danaher reviewed the report for the Department of State.

Reviewed and approved by the World Agricultural Outlook Board.

SUMMARY

The detailed country tables and narratives in this report include information on the quantities and dollar values of assessed additional food needs, including the need for cereals, pulses, vegetable oils, and dairy products. This summary covers just additional need for cereal, the principal commodity employed in international food aid. Food needs assessments for 1986/87 and 1987/88 are based on information available in mid-October 1986.

Assessed cereal needs in 1986/87

Status quo cereal shortfalls for 1986/87 in 69 developing countries are estimated at 6.5 million tons, about one half million tons below the estimate made in July and around 2.4 million below assessed needs in 1985/86.

In Sub-Saharan Africa, status quo cereal needs for 1986/87 are placed at 1.6 million tons. Needs are greatest in East Africa and Southern Africa, at 574,000 tons each. Ethiopia dominates with status quo needs of 356,000 tons. West Africa needs 312,000 tons. However, East and West African requirements combined are down nearly 1 million tons from July estimates. Assessed needs in other African regions are unchanged.

In Asia, status quo needs for 1986/87 are estimated at 1.5 million tons. South Asia dominates with Bangladesh having needs of 569,000 tons and Nepal's needs rising to 237,000. The Asian total is up 286,000 tons since the July estimate.

Latin American status quo requirements for 1986/87 are assessed at 472,000 tons, up 142,000, with the Central American area, led by El Salvador and Nicaragua, showing the greatest needs.

To meet minimum nutritional standards, the 69 countries are estimated to be short 13.8 million tons of cereals in 1986/87. Nutrition-based needs are greatest in South Asia, 4.5 million tons, and East Africa, 4.3 million tons. Limited storage and internal transportation in these regions result in maximum import capacity of 2.2 and 3.0 million tons, respectively. The improvements in nutritional status reflect overall national progress, but not necessarily that people in low income groups or areas are adequately fed.

Assessed cereal needs in 1987/88

The assessment for 1987/88 puts total status quo cereal needs at 6.3 million tons, down 220,000 from 1986/87. Nutrition-based needs are assessed down 60,000. Taking into consideration imports needed to maintain adequate stocks, 1987/88 nutrition-based needs are down 750,000 tons and status quo needs are down 1.2 million tons.

Additional cereal needs to support consumption, stocks adjustments, and maximum absorbable cereal needs

Region	Status quo		Nutrition-based		Maximum 1/
	Consumption	Consumption + stocks	Consumption	Consumption + stocks	
	--------Thousand tons (cereal equivalent) 2/--------				
1984/85					
Total	11,745	13,450	25,767	27,472	3/
1985/86 4/					
Total	8,811	9,503	20,253	21,036	15,014
1986/87					
Total	6,493	7,855	13,795	14,881	12,538
Africa	4,023	5,006	7,780	8,384	8,669
North Africa	2,439	3,198	0	0	3,198
Sub-Saharan Africa	1,584	1,808	7,780	8,384	5,471
West Africa	312	389	1,402	1,480	970
Central Africa	124	136	279	291	291
East Africa	574	709	4,331	4,700	3,047
Southern Africa	574	574	1,768	1,913	1,163
Middle East	452	540	283	371	371
Asia	1,546	1,737	4,784	5,015	2,511
South Asia	1,416	1,607	4,469	4,660	2,156
Southeast Asia	130	130	315	355	355
Latin America	472	572	948	1,111	987
Caribbean	85	130	164	184	184
Central America	387	442	555	632	613
South America	0	0	229	295	190
1987/88					
Total	6,273	6,598	13,733	14,131	10,933

1/ Imports consistent with maximum recent levels of consumption and food stocks. 2/ Major cereals, and the cereal equivalent of shortfalls in roots and tubers. 3/ Maximum absorbable needs not computed in 1984/85. 4/ Final 1985/86 assessment, May, 1986 FNA report.

Food Aid Availabilities and Outlook

Relatively large amounts of food aid, close to 11 million tons, are expected to be provided in the July 1986–June 1987 trade year, approximately the same volume as in 1985/86. This is below peak levels of 12.5 million tons shipped in 1984/85, but is still about 10 percent above the level of food aid provided before the African famine received widespread attention. For the third consecutive year, it appears likely that the World Food Conference target of 10 million tons of food aid will be exceeded.

In the United States, Public Law (P.L.) 480 food aid in fiscal year 1987 (October 1986–September 1987) is expected to remain at about the same volume as in fiscal year 1986. In October, Congress passed legislation reducing the P.L. 480 program level from about $1.7 billion to less than $1.5 billion. However, because of falling commodity prices, the P.L. 480 volume is expected to change little. Initial FY 1987 Title I/III allocations indicate top recipients to be Egypt, Bangladesh, Pakistan, and Sudan.

EC shipments under the 1985/86 food aid program have been slow as shipments obligated in 1984/85 continue. As of June 30 1986, the last date for which information is available, about 15 percent of the 1985/86 cereal allocation of 1.16 million tons had been shipped, less that 10 percent of the butteroil allocation, and less than 5 percent of skim milk powder. The Commission of the European Communities has recommended means to expedite implementation of the food aid program.

The Australian food aid budget for the July 1986–June 1987 fiscal year indicates a sharp drop, reflecting an attempt by the government to curb the overall growth of spending. Because of that, the food aid budget has been cut by one–third from the 1985/86 levels to about A$80 million (about US$50 million). Most of this is due to a halving of the contribution to the World Food Program to A$30 million (slightly less than US$20 million).

As of August 8, total multilateral and bilateral pledges to the International Emergency Food Reserve (IEFR) were about 480,000 tons of cereals, shy of the 500,000–ton target. Most of the pledges are for delivery through multilateral channels. Close to 20,000 tons of other commodities have also been pledged.

As of the end of July, pledges for the current 1985–86 biennium were about $1.05 billion against a target of $1.35 billion. For the 1986–87 biennium, pledges of only about one–quarter of the $1.4–billion target have been announced, but several large donors have not yet made their announcements.

Commercial Capacity To Import Food

Several alternative methods are available to convert general financial indicators into precise measures of the low-income countries' capacity to import food. The calculation used in this study is based on estimates of each country's foreign exchange earnings, import bills, foreign exchange reserves and debt service, and historical commercial food import patterns and food import unit values. Estimates of a country's foreign exchange earnings were made on the basis of export trade forecasts and, in selected cases, other sources of earnings such as worker remittances and tourism. The foreign exchange earnings estimate was added to estimates of a country's foreign exchange reserves to arrive at total foreign exchange supplies. The total was then adjusted using historical and estimated import bills to maintain the country's historical reserves-to-imports ratio.

The adjusted foreign exchange availability estimate was reduced further by the country's debt-service obligations to arrive at a net foreign exchange availability. The proportion of this net foreign exchange availability allocated to commercial food imports in the base period was held constant and used to calculate the foreign exchange available in the forecast period for commercial food imports. The volume of imports that could be purchased is estimated using this final estimate of net foreign exchange availability and expected food import unit values.

Measures of Additional Food Needs

Conceptual Framework

The financial indicators noted above and the food data described below are used to generate two alternative measures of food needs in addition to estimated commercial import capacity. Countries must choose between making extraordinary commercial purchases and seeking food aid to fill this gap. However, extraordinarily large commercial imports, particularly in successive years, would be at the cost of other imports, including imports of development goods. In addition, a measure is computed of the maximum quantities of commodities which countries could feasibly import. Each measure highlights a different aspect of the food problem in the low-income countries and a different notion of the role aid might play in easing the problem. For a more detailed discussion, see the section entitled "Methodological Notes."

The first measure, termed "status quo," estimates the additional food needed to maintain per capita use of food staples at levels reported in recent years. Per capita food use is calculated as the mean of the most recent 4 years that do not deviate more than one standard deviation from the mean of the most recent 8 years. This per capita food use is called base-use in the following descriptions of tables and elsewhere in this report. The data years employed in calculations for this report are 1978/79 through 1985/86. No provision is made either for improving substandard diets, for reducing allocations to

countries where diets are relatively good, or for correcting problems related to the uneven distribution of food across or within countries. Because status quo estimates support a level of per capita availability that has been achieved in the past, in most cases they can be considered to be consistent with the capacity of countries to absorb food imports.

The second measure, termed "nutrition-based," estimates the additional food required to raise per capita caloric intake to the levels associated with FAO's recommended minimum diet. This measure is based on the notion that food aid might be utilized in a way consistent with nutritional need rather than to maintain a recent, possibly substandard, status quo. In this sense, the nutrition-based measure might be viewed as a maximum level of additional food need, but not necessarily consistent with a country's ability to absorb food imports.

The measure of food import feasibility called "maximum absorbable imports" provides one basis for assessing what maximum quantity of additional food might be imported toward meeting large nutrition-based food needs, or possibly for building stocks in a period of ample world food supplies. The implicit assumption is that the food delivery systems of many of the countries involved have been fully "loaded" by past high levels of consumption. In addition, the highest level of stocks maintained over the previous 8 years is assumed, in the absence of better information, to be the largest level that can currently be maintained. The estimate is intended to provide a crude measure of the amount of food that can be physically absorbed. This level may then be used to scale back nutrition-based additional food need estimates that may be beyond the physical limits of a country's transportation, distribution, and storage capabilities.

While the status quo and nutrition-based methods differ in the estimation of requirements, they have a common structure. In each, an estimate of every country's domestic supplies of food staples is subtracted from an estimate of staple food requirements to arrive at a quantity estimate of import requirements. Import requirements are then totaled for food groups, based on assumptions regarding their substitutability. An estimate of a country's capacity to commercially import food in each category is then subtracted from the import requirement to arrive at an estimate of additional food needs. Estimated import unit values for each food group are used to generate import requirements, and additional food needs estimates in both quantity and value terms.

Several factors affecting additional food needs in a country are not addressed in these estimates. First, food distribution problems--both geographical and across income or population groups---are overlooked by the use of national level food availability and country average food requirement measures. These can mask acute shortages in specific places within a country as well as uneven distribution of food across population groups. However, measuring the unevenness of food distribution is extremely difficult, because data are not available. Acute problems of this nature are treated qualitatively in the country narratives.

Second, additional food needs are estimated without reference to a country's food and agriculture policies and current performance. Although these issues figure

importantly in a country's choice between exceptional commercial food purchases and requesting concessional food imports, a comprehensive consideration of them is beyond the scope of this report.

Introduction to Regional and Country Narrative Tables

The following section reports on the food and financial situation and outlook for 69 countries in Africa, the Middle East, Asia, and Latin America. The materials summarize events during the 1985/86 local marketing year (generally July–June) and project food and financial conditions for 1986/87 and 1987/88.

Data shown in the tables must be interpreted with caution. Forecasts of food production, population, and financial conditions for 1986/87 and 1987/88 represent ERS's forecasts of what is likely to happen during those years. But, 1986/87 and 1987/88 estimates of all other items—stocks, use, import requirements, and additional needs—are not forecasts of what is likely to happen; they are targets derived using the status quo and nutrition assumptions summarized in the previous section, and explained in detail in the "Methodological Notes" section of this report. Additional food needs calculations are also subject to a number of adjustments detailed in the Methodology section.

In each of the regional and country tables, any quantity less than 500 tons and any value less than $500,000 is shown as zero.

Tables entitled "[Region] basic food data"

These tables provide major cereal supply and utilization data and population for regions for 1980/81–1985/86 and for forecast years (1986/87–1987/88).

Tables entitled "[Region] cereal use, additional food needs to support consumption, and stock adjustment

These tables deal only with 1986/87–1987/88 country estimates aggregated for the regions. The explanation for column headings is the same as for column headings in the country tables, as described below.

Tables Entitled "[Country] basic food data"

These tables provide food staple supply and utilization data for 1980/81–1985/86 and for forecast years (1986/87 and 1987/88). An explanation of each column heading follows:

1. Actual or forecast production—actual production for the individual staples for 1981/82–1985/86 and forecast production for 1986/87 and 1987/88.

2. Net imports—actual net imports during 1981/82–1985/86. Net import figures for forecast years are not supplied. Instead, estimated import requirements based on status quo and nutrition–based approaches are provided in the next set of tables.

3. Nonfeed use--actual human consumption, 1981/82-1985/86.

4. Feed use--actual feed use, 1981/82-1985/86 and targeted feed use for 1986/87 and 1987/88. Targeted feed use is calculated to maintain per capita feed use at base-use levels. The same base-use level of feed use is employed in the status quo and nutrition-based estimates of aid needs.

5. Beginning stocks--actual stocks for 1981/82-1985/86, where reliable stocks data are available. Initial calculations of status quo and nutrition-based import and aid needs are done by maintaining the ending stocks for 1985/86 (beginning stocks 1986/87) constant throughout the forecasting period. Import requirements for building food security stocks are calculated subsequently for the countries for which stock data are available.

6. Per capita total use--actual per capita human consumption and livestock feed use for 1981/82-1985/86.

7. Commodity coverage--the food staples included for each country.

8. Share of diet--each staple's share of total daily caloric intake, and the share of total daily caloric intake covered by the food staples analyzed. Data are drawn from the 1979-81 FAO Food Balance Sheets with adjustments made in some cases for differences in FAO or ERS estimates of feed use or more recent significant changes in a staple's share of the diet.

Tables Entitled "Import requirements for [Country]"

These tables deal only with 1986/87 and 1987/88 estimates. An explanation of each column heading follows:

1. Forecast domestic production--data are drawn from the "basic food data" tables.

2. Total use, status quo--total amount of a staple needed to maintain per capita human consumption at the base-use level and feed use at the targeted level.

3. Total use, nutrition-based--the amount of a staple needed to support FAO recommended minimum daily per capita caloric intake levels and targeted feed use.

4. Import requirements, quantity, status quo--the imports of a staple required to maintain per capita consumption, and also to achieve the targeted levels of feed use with no change in stocks, as shown in the basic food data table. These estimates are calculated for each staple by subtracting forecast domestic production from status quo-based total use.

Subtotals for each commodity group are calculated by summing the import requirements for individual commodities. Calculated surpluses (negative import requirements) for individual commodities within groups are subtracted from deficits in other commodities because foods are assumed to be substitutable within groups. Noncereals such as roots and tubers are converted to caloric wheat equivalents before being summed. Negative subtotals are shown as zeros because these calculated surpluses are assumed not to be substitutable elsewhere in the diet.

5. Import requirements, quantity, nutrition-based---the imports of a staple required to support recommended minimum per capita caloric intake, and targeted feed use, as no change in stocks is shown in the basic food data tables. These estimates are calculated by subtracting forecast domestic production from nutrition-based total use. Totals for each commodity group by year are computed as described in (4) above.

6. Import requirements, maximum---the largest quantity that could be managed if countries wished to take the greatest advantage of low grain prices to improve stocks or to improve on the nutritional status of the population.

Tables Entitled "Additional food needs for [Country], with stock adjustment and as constrained by maximum absorbable imports"

These tables provide calculations of cereal import requirements and food needs in excess of normal commercial imports resulting from consumption requirements and from estimates of cereal stock adjustments required for food security purposes. The estimated stock increment (quantity and value) is added to import requirements and additional food needs to support consumption to arrive at total import requirements and additional food needs. The stock increment is shown only when it results in altered total additional food needs (i.e. when not offset by negative additional food needs for consumption). For a discussion of how stock increment estimates are calculated, see "Methodological Notes" in the annual report.

1. Commercial import capacity---an estimate of the amount of food within each group that a country can afford to import commercially without reducing below historical levels the share of its available foreign exchange used for nonfood imports. Countries are assumed in forecast years to spend the same proportion of available foreign exchange on commercial food imports as in the base period. The measure is sensitive to historical and projected levels of foreign exchange holdings, total merchandise imports and exports, and debt service. The measure is provided in both quantity and value, using the same country-specific estimates of unit import costs as in the import requirements estimate.

2. Additional food needs, quantity--the estimated quantity of additional food needed in each commodity group to support either the status quo or nutrition-based use level and targeted stock and feed use levels. Negative needs are shown as zero.

3. Additional food needs, value--the estimated value of the additional food needed in each commodity group to maintain either status quo consumption or nutrition-based consumption and targeted stock and feed use levels.

Tables Entitled "Financial indicators for [Country], actual and projected"

These tables give historical data and forecasts for four key financial indicators: yearend international reserves, merchandise exports, merchandise imports, and debt-service obligations. All data are on a calendar year basis and are compiled from a variety of sources, including the World Bank, the International Monetary Fund, Chase Econometrics, country sources, and ERS estimates.

North Africa

Lower oil prices and extreme weather conditions are the key factors determining North African additional food needs in 1986/87. Petroleum is the major source of merchandise exports for both Egypt and Tunisia. Lower oil prices have tightened the foreign exchange available for imports and have consequently lowered the commercial import capacity as calculated in this report.

Unusually favorable weather in Morocco has contributed to a record grain harvest and unusually unfavorable weather in Tunisia has led to a very short harvest. Morocco's additional food needs are nil for the first time in years. Status quo needs for 1986/87 for North Africa are 2.4 million tons, while nutrition-based needs are zero.

North Africa basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	1,000 tons			Thousand	Kilos
Major cereals					
1980/81	12,893	3,336	9,303	69,169	322
1981/82	10,679	3,257	11,091	71,074	311
1982/83	13,734	2,953	9,351	72,972	323
1983/84	12,262	2,435	11,821	74,926	321
1984/85	12,470	2,367	12,770	76,901	325
1985/86	13,907	2,582	12,495	78,910	326
1986/87	14,466	3,242	1/	81,077	
1987/88	14,166	3,242		83,303	

1/ The absence of a column entry in any table means such entry is inapplicable.

North Africa cereal use, additional food needs to support consumption, and stock adjustment

Commodity/year	Total use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	26,007	22,531	2,439	368	0	0
1987/88	26,718	23,043	2,399	370	0	0
Stock adjustment						
1986/87			795	122	88	9
1987/88			156	20	73	8
Total						
1986/87			3,198	486	25	3
1987/88			2,481	383	0	0

West African grain production for 1986/87 is forecast to be the second largest on record--down slightly from 1985/86. Current reports confirm that harvest prospects in almost all West African countries are above the average of the last 4 years. The actual outturn will probably be above the 9.5 million tons estimated in this report. Senegal is the only country where grain production was revised downward from the August report. Even though actual stock levels are unknown in many West African countries, stocks are thought to be large following 2 or 3 years of good harvests. Part of the 1986/87 status quo import requirements of 2.5 million tons may be met by drawing grain from stocks.

Locust infestations remain a concern in West Africa. Late season attacks occurred in several countries. Efforts to control grasshoppers and locusts are continuing even though little further crop damage is expected. Eggs laid this season could mean much larger locust populations next year.

West Africa basic food data

	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	1,000 tons			Thousand	Kilos
Major cereals					
1980/81	8,100	436	2,092	67,516	152
1981/82	8,638	371	2,213	69,131	156
1982/83	8,279	460	2,255	70,941	150
1983/84	7,663	368	2,962	73,370	145
1984/85	7,335	364	2,467	75,809	130
1985/86	10,273	290	1,920	77,996	153
1986/87	9,478	530		80,213	
1987/88	9,827	530		82,493	

West Africa cereal use, additional food needs to support consumption, and stock adjustment

Commodity/year	Total use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	17,308	18,186	312	54	1,402	258
1987/88	17,810	18,718	295	48	1,412	252
Stock Adjustment						
1986/87			73	13	73	13
1987/88			52	8	52	8
Total						
1986/87			389	67	1,480	272
1987/88			331	54	1,455	259
Maximum absorbable						
Cereal equivalent						
1986/87			389	67	970	167
1987/88			331	54	895	148

CHAD

Adequate rainfall continued into September in Chad insuring average or better yields for most crops. Total 1986/87 grain production is estimated at 545,000 tons, up 9 percent from the August report. The 1986/87 millet harvest of 500,000 tons is still well below last year's record of 630,000 tons. Locust attacks during October caused losses in some areas. Wheat and rice imports will be needed to meet the structural deficit in these commodities.

Status quo and nutrition-based estimates of cereal import requirements are 58,000 tons and 376,000 tons, respectively, for 1986/87. Additional food needs are down almost 100,000 tons from the August report. The high nutrition numbers indicate that some segments of the population may be nutritionally at risk during the coming year. While production of Chad's main export crop, cotton, will be near normal, foreign exchange earnings will remain depressed because of low world prices.

Chad basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	647	0	30	677	0	153	Wheat	1.4
1981/82	548	0	59	607	0	134	Rice	3.8
1982/83	466	0	56	522	0	109	Corn	1.2
1983/84	490	0	87	577	0	117	Millet	47.7
1984/85	300	0	195	450	0	89	Cassava	7.2
1985/86	682	45	65	727	0	144	Total	61.3
1986/87	545	65						
1987/88	560	65						
Roots								
1980/81	185	0	0	185	0	42		
1981/82	191	0	0	191	0	42		
1982/83	197	0	0	197	0	41		
1983/84	200	0	0	200	0	41		
1984/85	170	0	0	170	0	34		
1985/86	200	0	0	200	0	40		
1986/87	205	0						
1987/88	210	0						

Import requirements for Chad

Commodity/year	Production	Total use: Status quo	Total use: Nutrition-based	Import requirements: Status quo	Import requirements: Nutrition-based	Import requirements: Maximum
	1,000 tons					
Major cereals						
1986/87	545	604	882	59	337	242
1987/88	560	619	904	59	344	247
Roots						
1986/87	205	203	303	(2)	98	12
1987/88	210	208	311	(2)	101	13
Cereal Equivalent						
1986/87	627	685	1,004	58	376	246
1987/88	644	702	1,029	58	384	251

Financial indicators for Chad, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	71	55	2	5	69	13
1981	55	89	3	7	52	14
1982	52	83	0	12	52	7
1983	75	118	1	28	74	4
1984	112	129	10	44	102	3
1985	69	123	2	49	67	
1986	70	110	3	40	75	5
1987	70	110	3	35	70	5

Additional food needs to support consumption for Chad, and as constrained by maximum absorbable imports

Commodity/year	Commercial import capacity: Quantity	Commercial import capacity: Value	Status quo: Quantity	Status quo: Value	Nutrition-based: Quantity	Nutrition-based: Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	12	2	46	8	364	61
1987/88	11	2	47	8	373	61
Stock Adjustment						
1986/87			(10)	(2)	(10)	(2)
1987/88			1	0	1	0
Total						
1986/87			36	6	355	59
1987/88			48	8	374	61
Maximum absorbable						
Cereal equivelent						
1986/87			36	6	235	39
1987/88			48	8	240	39

Above normal rainfall in the major grain regions of Mali assures a grain harvest that will be close to last year's record of 1.1 million tons. Conditions in northwestern Mali improved in September, but yields will suffer from earlier dryness. Rainfall remained below normal in areas northwest of Mopti. Status quo import requirements and food needs are down 83,000 tons and 43,000 tons, respectively, from the August report. Reports are that food supplies are unusually low around Mopti. Spraying has controlled the locusts in Mali and crop losses are not anticipated.

Two good harvests and continuing imports have contributed to unusually large stocks in Mali. OPAM, the Grain Marketing Board, is still holding grain purchased after the 1985 harvest because retail market prices have remained below the cost of the grain. The Government is considering banning rice imports in order to draw down current stocks. To cover needs in deficit areas, grain will have to be moved from stocks and surplus regions.

Mali basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	836	100	108	1,044	0	151	Wheat	1.6
1981/82	1,057	0	160	1,217	0	172	Rice	11.1
1982/83	973	0	184	1,157	0	160	Corn	4.6
1983/84	830	0	407	1,237	0	167	Millet	53.0
1984/85	662	0	253	885	0	117	Total	70.4
1985/86	1,123	30	110	1,178	0	153		
1986/87	1,095	85						
1987/88	1,125	85						

Import requirements for Mali

Commodity/year	Production	Total use		Import requirements		
		Status quo	Nutrition-based	Status quo	Nutrition-based	Maximum
	1,000 tons					
Cereals						
1986/87	1,095	1,284	1,657	189	562	300
1987/88	1,125	1,311	1,693	186	568	299

Financial indicators for Mali, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	205	308	9	15	196	12
1981	154	269	9	17	145	22
1982	145	234	8	17	137	30
1983	165	246	13	16	153	32
1984	194	256	17	27	177	24
1985	176	300	80	23	96	
1986	150	250	11	14	134	29
1987	160	250	11	14	143	29

Additional food needs to support consumption for Mali, with stock adjustment, and as constrained by maximum absorbable imports

Commodity/year	Commercial import capacity: Quantity	Commercial import capacity: Value	Status quo: Quantity	Status quo: Value	Nutrition-based: Quantity	Nutrition-based: Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	154	35	35	8	408	94
1987/88	170	38	16	4	398	89
Stock adjustment						
1986/87			8	2	8	2
1987/88			2	0	2	0
Total						
1986/87			42	10	416	95
1987/88			18	4	400	89
Maximum absorbable						
Cereal equivalent						
1986/87			42	10	146	33
1987/88			18	4	129	29

NIGER

In spite of dryness in Niamey province in western Niger, crop prospects for 1986/87 are good. Grain output will be near last year's record. Status quo import requirements for 1986/87 are probably over-estimated because of the very high consumption levels in the base period. Niger's wheat and rice imports average less that 50,000 tons per year. The outlook for Niger's grain trade will be strongly influenced by the import policies of neighboring Nigeria. The Nigerian Government's ban on the import of wheat, rice, and corn is likely to change informal grain trade between the two countries. In recent years, grain has moved from Nigeria into Niger. This pattern could be reversed if grain shortages occur in Nigeria.

The threat of a serious locust infestation in September seems to have abated. Harvesting begins in October and further crop losses due to locusts are not likely. However, locust populations need to be controlled to prevent additional infestations in 1987.

Niger basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	1,754	120	144	1,779	0	323	Wheat	1.8
1981/82	1,664	225	113	1,772	0	312	Rice	4.3
1982/83	1,679	230	65	1,784	0	305	Millet and	
1983/84	1,715	190	45	1,760	0	290	sorghum	62.3
1984/85	1,054	190	214	1,388	0	221	Total	68.4
1985/86	1,816	70	60	1,796	0	277		
1986/87	1,817	150						
1987/88	1,844	150						

Import requirements for Niger

Commodity/year	Production	Total use		Import requirements		
		Status quo	Nutrition-based	Status quo	Nutrition-based	Maximum
	1,000 tons					
Cereals						
1986/87	1,817	1,985	2,118	168	301	439
1987/88	1,844	2,052	2,179	208	335	486

Financial indicators for Niger, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	572	794	39	126	533	7
1981	498	663	63	105	434	16
1982	369	534	111	30	258	9
1983	371	473	73	53	298	6
1984	308	341	67	89	242	10
1985	238	336	68	136	170	
1986	300	350	63	160	333	8
1987	320	375	67	160	344	8

Additional food needs to support consumption for Niger, with stock adjustment

Commodity/year	Commercial import capacity: Quantity	Commercial import capacity: Value	Status quo: Quantity	Status quo: Value	Nutrition-based: Quantity	Nutrition-based: Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	129	19	38	6	171	25
1987/88	137	20	71	10	197	28
Stock adjustment						
1986/87			49	7	49	7
1987/88			30	4	30	4
Total						
1986/87			88	13	221	33
1987/88			101	14	227	33

SENEGAL

Rainfall was below normal in Senegal for much of the growing season. Planting was delayed for a month or more in the northern half of the country affecting both grains and peanuts, the main cash crops. Adequate moisture through the end of September has improved harvest prospects, but yields will still be below normal. Millet production is estimated at 650,000 tons compared with 950,000 tons last year. Large-scale spraying has controlled the grasshoppers in the most heavily infested areas.

Status quo additional food needs for 1986/87 are zero, since the country's commercial import capacity will cover the import requirements of 633,000 tons. Low world grain prices and a large share of foreign exchange allocated to food imports account for Senegal's high commercial import capacity.

Senegal basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	645	150	488	1,208	0	210	Wheat	6.2
1981/82	884	75	499	1,283	0	216	Rice	26.4
1982/83	730	175	579	1,359	0	221	Corn	4.5
1983/84	485	125	698	1,223	0	193	Millet	26.0
1984/85	660	85	460	1,135	0	174	Total	63.2
1985/86	1,191	70	455	1,561	0	231		
1986/87	830	155						
1987/88	862	155						

Import requirements for Senegal

Commodity/year	Production	Total use: Status quo	Total use: Nutrition-based	Import requirements: Status quo	Import requirements: Nutrition-based	Import requirements: Maximum
	1,000 tons					
Cereal equivalent						
1986/87	830	1,463	1,459	633	629	800
1987/88	862	1,509	1,506	647	644	818

Financial indicators for Senegal, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	481	973	179	8	302	41
1981	511	1,009	90	9	422	33
1982	590	968	46	11	543	23
1983	569	880	57	12	512	26
1984	548	805	93	4	455	28
1985	526	773	211	5	315	
1986	650	1,014	85	3	558	26
1987	650	1,000	85	3	559	26

Additional food needs to support consumption for Senegal, with stock adjustment

Commodity/year	Commercial import capacity		Status quo		Nutrition-based	
	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	747	102	0	0	0	0
1987/88	768	102	0	0	0	0
Stock adjustment						
1986/87			(10)	(1)	(10)	(1)
1987/88			5	1	5	1
Total						
1986/87			0	0	0	0
1987/88			0	0	0	0

Central Africa

Central Africa's status quo additional requirements for 1986/87 are relatively low at 136,000 tons. This represents a 20-percent decline from the previous assessment. No unusual food shortages have been reported and weather has been normal. However, nutritional needs are considerably higher at 279,000 tons, more than double the status quo level.

Central Africa basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	1,000 tons			Thousand	Kilos
Major cereals					
1980/81	1,236	59	861	37,792	55
1981/82	1,241	60	829	38,757	53
1982/83	1,281	58	740	39,981	51
1983/84	1,292	51	666	41,006	49
1984/85	1,326	17	777	42,027	50
1985/86	1,373	33	705	43,198	48
1986/87	1,404	40		44,387	
1987/88	1,462	40		45,608	

Central Africa cereal use and additional food needs

Commodity/year	Total Use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	8,708	8,850	124	20	279	45
1987/88	8,948	9,090	152	24	306	48
Stock adjustment						
1986/87			12	2	12	2
1987/88			8	1	8	1
Total						
1986/87			136	22	291	46
1987/88			160	26	314	49

East Africa

Due to excellent crop growing conditions in East Africa, the 1986/87 harvest is projected to be slightly higher than the 1985/86 record. Damage from pests, particularly locusts and grasshoppers, has not materialized as a major crop threat, in considerable part due to effective control.

Regional status quo estimates of cereal imports to meet consumption requirements for 1986/87 are 574,000 tons, a reduction of 732,000 tons from the August estimate. Of this, 356,000 are required in Ethiopia, where chronic food shortages are expected to continue despite a considerable easing of drought conditions. Nutrition-based import requirements of 4.3 million tons reflect high needs, especially in Ethiopia and Kenya.

Some of the countries in the region, particularly Sudan and Tanzania, continue to experience serious foreign exchange shortages. For others, commercial import capacity is enhanced by the recent rise in prices for coffee, one of the region's major exports. All countries will benefit from the lower expected import prices for cereals.

In light of the harvest and commercial import capacity estimates, 1987/88 status quo additional food needs for the region are estimated at 968,000 tons of cereals valued at $165 million.

East Africa basic food data

	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	--------1,000 tons-------			Thousand	Kilos
Major cereals					
1980/81	15,306	1,077	1,770	121,603	141
1981/82	16,824	1,027	1,665	125,707	144
1982/83	16,899	1,457	1,109	129,771	138
1983/84	15,671	1,555	1,847	133,559	138
1984/85	13,712	575	4,621	136,740	131
1985/86	18,728	1,019	2,323	142,244	145
1986/87	19,425	1,391		146,703	
1987/88	19,482	1,391		151,306	

East Africa cereal use, additional food needs to support consumption, and stock adjustment

Commodity/year	Total Use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	28,102	32,121	574	83	4,311	664
1987/88	28,972	33,043	968	165	4,825	750
Stock Adjustment						
1986/87			447	70	447	70
1987/88			168	20	168	20
Total						
1986/87			709	104	4,700	724
1987/88			1,016	172	4,992	770
Maximum absorbable						
Cereal equivalent						
1986/87			709	104	3,047	489
1987/88			1,016	172	3,318	540

ETHIOPIA

It is too early in the season to make a final estimate of crop production for the country. There have been, however, widespread rains throughout the major growing areas, and production is expected to rebound to normal predrought levels. This will reduce the need for food aid, and coniderable food stocks are said to be available within the country. Our analysis assumes overall grain production will be 6.3 million metric tons, a considerable increase over the 4.8 million metric tons of 1984/85 and the 5.2 million metric tons of 1985/86.

To date, locust damage to crops has been minimal, but a large swarm of locusts is said to exist in Eritrea. This will need to be monitored over the course of the season to determine the potential extent of locust damage.

Ethiopia basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	5,559	695	226	5,847	213	155	Wheat	9.1
1981/82	5,324	420	303	5,745	172	147	Corn	9.8
1982/83	6,649	130	335	6,484	160	161	Sorghum	15.2
1983/84	5,749	470	568	6,515	187	159	Millet	2.0
1984/85	4,790	85	1,480	5,871	176	143	Barley	16.1
1985/86	5,245	308	1,125	6,106	122	142	Teff	15.5
1986/87	6,300	450					Total	67.7
1987/88	6,635	450						

Import requirements for Ethiopia

Commodity/year	Production	Total use: Status quo	Total use: Nutrition-based	Import requirements: Status quo	Import requirements: Nutrition-based	Import requirements: Maximum
	1,000 tons					
Cereal equivalent						
1986/87	6,300	6,806	8,813	506	2,513	1,367
1987/88	6,635	6,990	9,066	355	2,431	1,233

Financial indicators for Ethiopia, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	592	887	43	118	549	9
1981	607	1,015	55	179	553	6
1982	675	1,022	68	107	607	4
1983	743	1,182	84	165	659	4
1984	906	1,381	62	150	844	3
1985	915	1,303	120	97	795	
1986	880	1,375	82	97	749	4
1987	830	1,450	77	97	696	4

Additional food needs to support consumption for Ethiopia, with stock adjustment

Commodity/year	Commercial import capacity		Status quo		Nutrition-based	
	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	150	17	356	39	2,363	261
1987/88	143	15	212	23	2,288	246
Stock adjustment						
1986/87			42	5	42	5
1987/88			13	1	13	1
Total						
1986/87			397	44	2,405	266
1987/88			225	24	2,301	247
Maximum absorbable						
Cereal equivalent						
1986/87			397	44	1,217	135
1987/88			225	24	1,089	117

KENYA

Since the August report, the estimate of Kenya's 1986 corn crop has been revised upwards to a record 2.75 million tons, compared to last year's 2.65 million tons. Stocks of corn are at excessive levels and it is estimated that 400,000 tons of corn could be exported during 1986/87. Adequate supplies of inputs, increased plantings, relatively favorable producer prices, and good weather all contributed to the large harvest.

While status quo cereal supply and use calculations indicate a surplus of 68,000 tons for export, only corn is in surplus. Wheat production, although at a relatively high level of 245,000 tons, will fill only about 50 percent of total needs, and wheat imports are required. Rapidly rising consumption would raise import needs to 250,000 tons. Rice import requirements are estimated at 30,000 tons, as production has lagged consumption increases. With average caloric consumption inadequate, nutrition-based needs continue to be considerably higher than status quo estimates.

While higher coffee prices have increased Kenya's export earnings in 1986, imports and debt service are also up. Commercial food import capacity dropped slightly to $35 million. This will cover commercial imports of 188,000 tons, which are insufficient to meet all wheat and rice import requirements.

Kenya basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	2,260	101	494	2,556	68	160	Wheat	5.9
1981/82	2,585	231	340	2,472	82	149	Rice	0.9
1982/83	2,675	602	96	2,538	91	147	Corn	40.2
1983/84	2,363	744	77	2,667	76	148	Sorghum	3.5
1984/85	1,937	441	905	2,687	72	142	Millet	2.2
1985/86	3,065	524	117	2,897	94	148	Cassava	5.6
1986/87	3,145	715					Potatoes	1.3
1987/88	2,844	715					Sweet potat	2.2
							Total	61.8
Roots								
1980/81	1,315	0	0	1,315	0	80		
1981/82	1,107	0	0	1,107	0	65		
1982/83	1,560	0	0	1,560	0	87		
1983/84	1,115	0	0	1,115	0	60		
1984/85	1,525	0	0	1,525	0	79		
1985/86	1,330	0	0	1,330	0	66		
1986/87	1,390	0						
1987/88	1,435	0						

Import requirements for Kenya

Commodity/year	Production	Total use		Import requirements		
		Status quo	Nutrition-based	Status quo	Nutrition-based	Maximum
	1,000 tons					
Major cereals						
1986/87	3,145	3,077	3,809	(68)	664	1,026
1987/88	2,844	3,203	3,912	359	1,068	1,493
Roots						
1986/87	1,390	1,535	1,967	145	577	448
1987/88	1,435	1,598	2,045	163	610	479
Cereal Equivalent						
1986/87	3,599	3,579	4,502	(20)	903	1,190
1987/88	3,313	3,726	4,632	414	1,319	1,667

Financial indicators for Kenya, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	1,261	2,345	249	492	1,012	14
1981	1,072	1,881	287	231	785	7
1982	934	1,495	326	212	608	14
1983	925	1,204	305	376	620	9
1984	1,034	1,349	348	390	686	12
1985	942	1,289	402	391	540	
1986	1,300	1,500	417	391	889	12
1987	1,200	1,500	385	391	821	12

Additional food needs to support consumption for Kenya, and as constrained by maximum absorbable imports

Commodity/year	Commercial import capacity: Quantity	Commercial import capacity: Value	Status quo: Quantity	Status quo: Value	Nutrition-based: Quantity	Nutrition-based: Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Major cereals						
Consumption						
1986/87	188	35	0	0	714	134
1987/88	179	33	235	43	1,140	208
Stock Adjustment						
1986/87			224	42	224	42
1987/88			31	6	31	6
Total						
1986/87			35	7	938	176
1987/88			266	48	1,171	213

SUDAN

Sudan's sorghum production for 1986/87 is forecast at 2.9 million tons due to favorable growing conditions in most of the country's major sorghum producing areas. While this is less than the 3.5 million ton record harvest of 1985/86, it is still much higher than the 1.2 million tons produced in 1984/85. The last 2 years of excellent sorghum harvests suggest that large stocks are available for domestic consumption. However, the continuing civil war in southern Sudan has made it difficult for relief supplies to reach food-deficit towns there. Efforts are being made to arrange relief air convoys to reach southern towns.

In addition to the near bumper sorghum crop, peanut production is forecast to rebound in 1986/87. Initial estimates suggest that peanut production could be nearly double that of last year. This has come about by increased peanut plantings in the irrigated areas and availability of seed and adequate rains in the West.

Sudan's external trade picture is still gloomy. The Government has decided that it cannot make all its debt service payments for the current year. Debt service estimates for 1986 and 1987 are based on historical payments, not debt service due.

Timely pest control measures undertaken by the Ministry of Agriculture with donor assitance, reduced fears of large scale locust outbreaks destroying large areas of crops.

Sudan basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	2,816	190	146	2,688	210	152	Wheat	8.0
1981/82	3,981	254	175	3,452	318	192	Rice	0.4
1982/83	2,453	640	182	2,780	198	146	Corn	0.8
1983/84	2,327	297	451	2,863	197	146	Sorghum	32.0
1984/85	1,392	15	1,610	2,777	90	133	Millet	9.6
1985/86	4,167	150	565	4,586	117	205	Peanuts	12.1
1986/87	3,647	179					Total	62.9
1987/88	3,797	179						
Peanuts								
1980/81	707	50	(41)	706	0	37		
1981/82	838	10	(100)	698	0	35		
1982/83	492	50	(70)	442	0	22		
1983/84	413	30	(45)	388	0	18		
1984/85	386	10	0	386	0	18		
1985/86	345	10	0	345	0	15		
1986/87	500	10						
1987/88	475	10						

Import requirements for Sudan

Commodity/year	Production	Total use: Status quo	Total use: Nutrition-based	Import requirements: Status quo	Import requirements: Nutrition-based	Import requirements: Maximum
	1,000 tons					
Major cereals						
1986/87	3,647	3,692	4,021	45	374	1,658
1987/88	3,797	3,803	4,149	6	352	1,653
Peanuts						
1986/87	500	691	642	191	142	0
1987/88	475	712	638	237	163	0
Cereal Equivalent						
1986/87	4,147	4,383	4,663	236	516	1,658
1987/88	4,272	4,515	4,787	243	515	1,653

Financial indicators for Sudan, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	689	1,127	104	49	585	8
1981	793	1,634	145	17	648	13
1982	401	750	115	21	286	33
1983	514	703	87	17	427	19
1984	519	546	107	17	412	23
1985	500	590	808	12	(308)	
1986	525	800	111	12	406	25
1987	550	950	116	12	422	25

Additional food needs to support consumption for Sudan, with stock adjustment

Commodity/year	Commercial import capacity: Quantity	Commercial import capacity: Value	Status quo: Quantity	Status quo: Value	Nutrition-based: Quantity	Nutrition-based: Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	437	47	0	0	79	8
1987/88	467	48	0	0	48	5
Stock Adjustment						
1986/87			124	13	124	13
1987/88			120	12	120	12
Total						
1986/87			0	0	203	22
1987/88			0	0	169	18

TANZANIA

Recent estimates have revised the 1986 cereal harvest upward to nearly 3.6 million tons, almost 11 percent above the August report. Thus, Tanzania, as Kenya, has experienced good cereal crops for 2 consecutive years, with good rains in both 1985 and 1986. Good rains and higher prices have resulted in approximately a 33-percent increase in corn area since 1983, and the 1986 corn crop is estimated at a record 2.2 million tons. The newly re-established cooperatives have helped with cereal procurement, but severe transport problems continue.

As a result of the higher cereal production, cereal imports will be down from 1985/86. Status quo cereal import requirements for 1986/87 are estimated at 185,000 tons vs. 259,000 in the August report.

Tanzania's foreign exchange position continues to be very weak, but improved slightly during 1986 due largely to increases in coffee export earnings. Also an agreement with the IMF has reduced debt service payment. Commercial import capacity is estimated at $24 million, leaving additional food needs for 1986/87 at 54,000 tons.

Tanzania basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	2,784	86	387	3,067	70	169	Wheat	1.5
1981/82	2,815	120	364	3,144	70	168	Rice	6.5
1982/83	2,820	85	164	2,960	65	153	Corn	33.1
1983/84	2,847	44	355	3,154	58	158	Sorghum	3.5
1984/85	3,061	34	219	3,217	60	156	Millet	3.0
1985/86	3,498	37	215	3,631	72	171	Cassava	22.2
1986/87	3,560	47					Total	69.7
1987/88	3,375	47						
Roots								
1980/81	5,631	0	0	5,631	0	304		
1981/82	6,000	0	0	6,000	0	314		
1982/83	5,000	0	0	5,000	0	254		
1983/84	5,400	0	0	5,400	0	265		
1984/85	5,600	0	0	5,600	0	266		
1985/86	5,500	0	0	5,500	0	253		
1986/87	5,600	0						
1987/88	5,750	0						

Import requirements for Tanzania

Commodity/year	Production	Total use: Status quo	Total use: Nutrition-based	Import requirements: Status quo	Import requirements: Nutrition-based	Import requirements: Maximum
	1,000 tons					
Major cereals						
1986/87	3,560	3,618	3,594	58	34	383
1987/88	3,375	3,734	3,690	359	315	690
Roots						
1986/87	5,600	5,997	5,468	397	(132)	1,427
1987/88	5,750	6,188	5,638	438	(112)	1,501
Cereal Equivalent						
1986/87	5,352	5,537	5,344	185	(8)	783
1987/88	5,215	5,714	5,494	499	279	1,112

Financial indicators for Tanzania, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	508	1,069	76	20	432	19
1981	688	1,022	74	19	615	5
1982	413	984	63	5	350	14
1983	379	693	65	19	314	15
1984	369	737	71	27	298	16
1985	326	894	267	16	59	
1986	360	900	56	16	301	15
1987	370	1,000	58	16	308	15

Additional food needs to support consumption for Tanzania, with stock adjustment

Commidity/year	Commercial import capacity: Quantity	Commercial import capacity: Value	Status quo: Quantity	Status quo: Value	Nutrition-based: Quantity	Nutrition-based: Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	131	24	54	10	0	0
1987/88	138	25	361	64	141	25
Stock Adjustment						
1986/87			58	11	58	11
1987/88			3	1	3	1
Total						
1986/87			112	20	0	0
1987/88			364	65	144	26

Southern Africa

Rainfall was generally favorable for food production in Southern Africa during the recent growing season. Total grain production for 1986 is estimated to have fallen only 6 percent from the previous year's record high. The exception to this pattern was Botswana, where drought persisted for a fifth consecutive year. However, Botswana is a relatively small grain producer. It has been able to avoid major hunger problems by procuring sufficient imports and distributing supplies effectively. Despite reasonably good weather in most of the country, food production in Mozambique has remained low because of other factors. Civil strife has been the primary problem and a major food emergency will continue there. Exceptional measures are required to move food in some parts of the country.

Southern Africa's additional needs for 1986/87 are estimated at 574,000 tons. This is down about 15 percent from the previous estimate. Mozambique accounts for nearly all of this need, having the second highest requirements in Sub-Saharan Africa after Ethiopia. There is a substantial surplus of coarse grains available for export in Zimbabwe and Malawi. Because of difficulties in finding markets at desired prices, large carryover stocks of coarse grains are expected to remain at the end of 1986/87.

Southern Africa basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	1,000 tons			Thousand	Kilos
Major cereals					
1980/81	6,271	302	1,658	44,064	180
1981/82	7,885	317	1,240	45,326	178
1982/83	6,605	1,369	953	46,650	163
1983/84	5,560	1,321	1,194	48,082	161
1984/85	6,214	327	1,541	49,432	151
1985/86	8,382	614	1,049	50,925	166
1986/87	7,881	1,606		52,392	
1987/88	8,144	1,606		53,903	

Southern Africa cereal use, additional food needs to support consumption, and stock adjustment

Commodity/year	Total use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million$
Cereal equivalent						
Consumption						
1986/87	10,029	11,648	574	82	1,768	249
1987/88	10,314	11,984	496	70	1,684	232
Stock Adjustment						
1986/87			22	1	22	1
1987/88			41	5	41	5
Total						
1986/87			574	82	1,913	266
1987/88			496	70	1,690	233
Maximum absorbable						
Cereal equivalent						
1986/87			574	02	1,163	162
1987/88			496	70	943	131

1/ Stock adjustments are offset by negative needs for consumption.

Additional status quo food needs for the Middle East region total 540,000 tons for 1986/87. This is up 6 percent from the May report, and mainly reflects a reduction in the grain production estimate. Despite a decline of $13 million in the region's commercial import capacity, lower prices mean that the quantity of grain that can be purchased actually increased.

Lebanon's economy continues to suffer from the devastating effects of civil war. Worker remittances have been declining for both Yemens, adversely affecting import capacity.

Middle East basic food data

Country/Commodity	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	1,000 tons			Thousand	Kilos
Major cereals					
1980/81	956	249	1,105	9,964	215
1981/82	949	170	1,322	10,135	224
1982/83	875	173	1,426	10,316	220
1983/84	484	203	1,441	10,514	191
1984/85	666	116	1,672	10,737	216
1985/86	814	131	1,674	11,001	226
1986/87	846	132		11,225	
1987/88	876	132		11,454	

Middle East cereal use, additional food needs to support consumption, and stock adjustment

Commodity/year	Total use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million$
Cereal equivalent						
Consumption						
1986/87	2,454	2,285	452	67	283	43
1987/88	2,503	2,333	474	68	304	44
Stock adjustment						
1986/87			88	12	88	12
1987/88			37	6	37	6
Total						
1986/87			540	79	371	55
1987/88			511	74	341	50

South Asia

Cereal production in the region in 1986/87 continues to be estimated at a record, based on generally good 1986 monsoon rainfall and larger crops of wheat, rice, and coarse grains in India, Pakistan, and Bangladesh. However, setbacks in cereal production in Nepal and Sri Lanka because of adverse weather are now estimated to be larger than earlier forecasts. Nepal's fall harvests of rice and corn have been damaged by drought in parts of the Tarai and abnormally heavy rainfall in some hill regions and total cereal output is estimated to be down 8 percent. Sri Lanka's 1986 rice harvest is now estimated to be off about 12 percent from the 1985 record, with poor weather resulting in setbacks to both the Maha (primary) and Yala (secondary) crops. While Sri Lanka has wheat and rice stocks to cover part of its production shortfall, Nepal has no significant stocks. Cereal stocks remain well above target in both India and Pakistan, but Bangladesh's stocks are below target.

South Asian output of oilseeds and edible oils in 1986/87 is now estimated marginally below earlier forecasts, primarily because of dry weather in key peanut producing areas of India. However, Indian production is still expected to be higher than in 1985/86. Pakistan's oilseed and oil production continue to be estimated slightly below 1985/86 because of the expectation of a small decline in cotton and cottonseed. Estimates of pulse production in the region are unchanged, and call for small increases in both India and Pakistan.

The region's status quo creal import requirements to support consumption are now estimated at 3.6 million tons, up about 200,000 tons from the earlier estimate, with Sri Lanka and Nepal accounting for all of the increase. Increases in Sri Lanka and Nepal also account for higher nutrition-based cereal import needs to support consumption of about 12.5 million tons, but the marketing infrastructures of countries in the region are capable of absorbing only about 8.2 million tons of that total. The difference between status quo and nutrition-based import needs continues to reflect a wide nutritional gap in many countries in the region, particularly Bangladesh and Nepal. Current estimates of both status quo and nutrition-based import needs for vegetable oils and pulses are not significantly different from earlier forecasts, with status quo estimates indicating total import needs of 1.7 million tons of edible oil and 500,000 tons of pulses.

The balance of payments outlook for countries in the region has not changed significantly from the previous assessment. While all countries will benefit from lower world prices for imported food commodities and petroleum, the availability of foreign exchange for commercial imports will continue to be constrained by sluggish growth in export earnings, declining inflows of remittances from workers employed in the Middle East, and rising debt service obligations. Bangladesh's capacity to import food commercially has been severely strained by debt incurred in abnormally large commercial food grain purchases in 1984/85, as well as continued weak export performance. Sri Lanka's ability to compensate for its rice production setback with commercial purchases in 1986/87 will be limited by declining export receipts, as

well as a sharp increase in debt service. Nepal's ability to import commercially is severely limited because of its weak export base and high inland transportation and distribution costs.

Total status quo additional cereal needs to support consumption in the region in 1986/87 are now estimated at 1.42 million tons, compared with the previous estimate of 1.25 million. Sri Lanka and Nepal account for all of the increase. However, Bangladesh's tight balance of payments situation may require smaller outlays for commercial purchases, and the region's total additional status quo needs to support consumption might be better assessed at about 1.6 million tons. Additional needs for stock adjustments are now estimated at 190,000 tons, with Bangladesh requiring imports for stock building and Sri Lanka able to meet some of its higher needs by reducing stocks. Maximum absorbable nutrition-based additional needs are now estimated at 2.16 million tons, compared with the previous assessment of 1.99 million, because of larger absorbable needs in Sri Lanka and Nepal. Both status quo and nutrition-based needs in the form of vegetable oils and pulses continue to be estimated at zero for 1986/87, with commercial import capacity adequate to meet import requirements at the lower commodity prices that are forecast.

The outlook for additional needs in the region in 1987/88, assuming average weather, is unchanged from the earlier assessment, with both status quo and nutrition-based cereal needs expected to fall, and edible oil and pulse needs to remain negligible.

South Asia basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	---------1,000 tons-------			Thousand	Kilos
Major cereals					
1980/81	151,893	19,850	399	906,091	170.2
1981/82	159,939	17,933	3,276	926,031	174.2
1982/83	151,693	19,792	5,864	947,382	164.0
1983/84	178,319	21,937	5,234	969,559	182.3
1984/85	175,784	28,747	3,605	991,723	175.5
1985/86	176,308	34,053	2,415	1,013,540	175.0
1986/87	183,442	35,397		1,035,779	
1987/88	188,353	35,397		1,058,247	

South Asia cereal use, additional food needs to support consumption, and stock adjustment

Commodity/year	Total Use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	180,518	195,523	1,416	214	4,469	657
1987/88	184,431	199,892	910	139	4,072	585
Stock Adjustment						
1986/87			190	28	190	28
1987/88			96	13	96	13
Total cereal equivalent						
1986/87			1,607	242	4,660	685
1987/88			1,007	152	4,169	597
Maximum absorbable						
Cereal equivalent						
1986/87			1,607	242	2,156	318
1987/88			1,007	152	1,571	228

BANGLADESH

Food grain production during 1986/87 continues to be forecast at a record 17.1 million tons, based on favorable monsoon rainfall during June–September 1986, and input supplies that are reported to be adequate. The 1986/87 rice crop is estimated at a record 15.6 million tons, and the outlook remains good for a rebound in wheat production after a relatively poor crop in 1985/86. Government stocks of wheat and rice as of July 1986 are now placed at 906,000 tons, about 50,000 tons below the previous estimate and substantially below the informal target of about 1.2 million tons. Production of vegetable oil, primarily from rapeseed, remains forecast a 58,000 tons in 1986/87, sufficient to meet only about 25 percent of consumption needs. However, abnormally large imports of low-priced palm oil in 1985/86 have boosted vegetable oil stocks to an estimated record of 157,000 tons.

Status quo and nutrition-based 1986/87 cereal import requirements continue to be estimated at 1.8 million tons and 4.8 million tons, respectively, indicating a gap of about 29 kilograms between status quo per capita consumption and that needed to achieve the FAO/WHO recommended minimum caloric intake level. Capacity to absorb cereal imports in 1986/87 remains estimated at about 2.6 million tons.

Import needs to build food security stocks during 1986/87 are now estimated at about 241,000 tons, in addition to consumption needs. Status quo edible oil import requirements are now estimated at 169,000 tons in 1986/87, up marginally from the previous estimate because of upward adjustments in historical import data, while nutrition-based edible oil import needs remain estimated at about 146,000 tons. However, abnormally large stocks may reduce actual edible oil import needs during 1986/87.

Bangladesh's balance of payments and commercial import capacity outlook is unchanged from the August assessment. The balance of payments is expected to deteriorate substantially over the next several years because of weak export performance, a probable decline in worker remittances from the Middle East, and higher debt service obligations that were incurred largely because of abnormally high commercial purchases of food grains in 1984/85. Commercial food grain import capacity is estimated at $172 million (1.2 million tons) in 1986/87. However, this estimate is heavily affected by the large emergency outlays on commercial purchases in 1984/85 and may overstate the amount of foreign exchange that can be allocated to food grain imports without necessitating curbs on imports of development goods and a further rise in debt obligations. If commercial import capacity is calculated, instead, based on average foreign exchange outlays on commercial imports during 1980/81-1983/84, it would be estimated at $120 million (836,000 tons).

Total status quo additional cereal needs during 1986/87, calculated using the standard commercial import capacity procedure, are estimated at 811,000 tons, including 570,000 tons for consumption needs and 241,000 tons for stockbuilding. Using the alternate commercial import capacity calculation, status quo additional needs total nearly 1.2 million tons, including about 930,000 tons for consumption. Maximum absorbable nutrition-based additional needs, including imports for stockbuilding, are estimated at about 1.6 million tons using the standard commercial import capacity estimate and about 1.9 million tons using the alternate calculation. Both status quo and nutrition-based additional food needs in the form of edible oils during 1986/87 continue to be estimated at zero, primarily because lower world prices will allow adequate amounts to be purchased commercially.

Bangladesh basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	14,975	787	1,077	15,587	0	177	Wheat	8.8
1981/82	14,598	1,252	1,235	16,470	0	182	Rice	76.3
1982/83	15,311	615	1,817	17,117	0	183	Vegetable	
1983/84	15,710	626	2,056	17,592	0	183	oil	2.2
1984/85	16,084	800	2,588	18,464	0	188	Total	87.3
1985/86	16,380	1,008	1,337	17,819	0	177		
1986/87	17,100	906						
1987/88	17,696	906						
Vegetable oils								
1980/81	56	18	140	161	0	2		
1981/82	54	53	144	200	0	2		
1982/83	55	51	164	207	0	2		
1983/84	57	63	152	193	0	2		
1984/85	57	79	230	233	0	2		
1985/86	57	133	275	308	0	3		
1986/87	58	157						
1987/88	58	157						

Import requirements for Bangladesh

Commodity/year	Production	Total use: Status quo	Total use: Nutrition-based	Import requirements: Status quo	Import requirements: Nutrition-based	Import requirements: Maximum
	1,000 tons					
Cereals						
1986/87	17,100	18,912	21,913	1,812	4,813	2,649
1987/88	17,696	19,333	22,424	1,637	4,728	2,485
Vegetable oils						
1986/87	58	227	204	169	146	258
1987/88	58	232	209	174	151	265

Financial indicators for Bangladesh, actual and projected

Year	Exports and other credits	Imports	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	1,364	2,795	125	249	1,239	13
1981	1,299	2,890	170	108	1,129	15
1982	1,545	2,651	260	350	1,285	21
1983	1,717	2,728	193	539	1,524	16
1984	1,721	2,989	227	404	1,494	25
1985	1,759	2,879	280	362	1,479	
1986	1,794	2,967	324	395	1,364	20
1987	1,978	3,282	335	405	1,493	20

Additional food needs to support consumption for Bangladesh, with stock adjustment and as constrained by maximum absorbable imports

Commodity/year	Commercial import capacity: Quantity	Commercial import capacity: Value	Status quo: Quantity	Status quo: Value	Nutrition-based: Quantity	Nutrition-based: Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	1,195	172	569	82	3,506	503
1987/88	1,346	188	167	23	3,194	446
Stock adjustment						
1986/87			241	35	241	35
1987/88			26	4	26	4
Total						
1986/87			811	116	3,748	538
1987/88			192	27	3,220	449
Vegetable oils						
1986/87	187	75	0	0	0	0
1987/88	222	82	0	0	0	0
Total						
1986/87		246		116		538
1987/88		269		27		449
Maximum absorbable						
Cereal equivalent						
1986/87			811	116	1,583	227
1987/88			192	27	977	136
Vegetable oils						
1986/87			0	0	0	0
1987/88			0	0	0	0
Total						
1986/87				116		227
1987/88				27		136

On September 9, the Government announced a substantial food shortage due to declines in paddy and corn production, and formally requested food aid. Nepal's 1986/87 crops are suffering from poor distribution of rainfall, with a serious drought in the eastern Tarai (plains) and extremely heavy rainfall in the western hills. These regions are among the most densely populated in the country.

Nepal also suffers from a poor distribution of supply and effective demand. Most cereal production occurs in the Tarai, although the exportable surplus has been diminishing. A decreasing majority of the population lives in the hills, and their incomes are too low and the transport costs too high, to allow Tarai grain to make up for the hills' deficit production. Per capita disappearance has been stagnant at a level well below the FAO recommended minimum.

Rice supplies half the calories in the Nepali diet, and the crop will be hit hardest by the drought in the eastern Tarai. The current estimate of the 1986 rice crop is 1.6 million tons. Damage by extremely heavy rains in parts of the western hills will bring corn production down to 840,000 tons. The 1985/86 wheat crop is likely to be about 590,000 tons. Although some increase in wheat plantings is anticipated in 1986 in response to the setbacks in rice and corn, these gains would primarily affect the additional food needs for 1987/88 and not 1986/87. An FAO/USDA team will be assessing the food situation in Nepal in early November and should provide a more complete assessment of 1986/87 production losses.

With the current production estimates, status quo calculations indicate an import requirement* of 294,000 tons to support consumption and an additional food need of 227,000 tons. The additional food need calculation allocates the historically highest share of available foreign exchange to food imports because of the serious decline in production. Historical data on cereal stocks are not available, but the Nepal Food Corporation's current small stocks are fully committed to supplying deficit areas in the hills. Nutrition-based estimates, reflecting the large gap between status quo per capita consumption and the FAO recommended minimum, put import needs at 779,000 tons. Preliminary projections for 1987/88, based on normal weather, indicate no status quo import requirements.

Nepal's financial situation is extremely weak. Most of its merchandise exports do not earn convertible currency, and its trade balance is typically in deficit. Virtually all imports of food grains would have to be on a highly concessional basis. Even so, Nepal may not be able to absorb 294,000 tons of grain. The country's landlocked position, limited road network and lack of railroads, and weak local administration make delivering and distributing food aid a very difficult proposition. Grain delivered to Indian railheads across the border would be the best alternative, and India has offered grain on a stopgap basis, but this would not altogether solve the problem. Effective food aid of more than 100,000-150,000 tons in 1986/87 would require unprecedented organizational efforts and large expenditures on transportation and storage.

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* The Nepal import requirement table in Food Needs and Availabilities, 1986/87 was incorrect. Other tables for Nepal were correct.

Nepal basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	2,861	0	(26)	2,835	0	189	Wheat	10.9
1981/82	2,983	0	(42)	2,941	0	191	Rice	49.5
1982/83	2,596	0	83	2,679	0	170	Corn	19.6
1983/84	3,231	0	(16)	3,215	0	199	Total	80.0
1984/85	3,158	0	(49)	3,109	0	188		
1985/86	3,330	0	(25)	3,305	0	194		
1986/87	3,070	0						
1987/88	3,225	0						

Import requirements for Nepal

Commodity/year	Production	Total use: Status quo	Total use: Nutrition-based	Import requirements: Status quo	Import requirements: Nutrition-based	Import requirements: Maximum
	1,000 tons					
Cereal equivalent						
1986/87	3,070	3,325	3,809	255	739	400
1987/88	3,225	3,412	3,915	187	690	335

Financial indicators for Nepal, actual and projected

Year	Exports	Imports	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	353	450	4	189	351	2
1981	334	453	6	226	338	3
1982	307	523	7	157	374	1
1983	361	559	12	117	392	3
1984	359	527	17	70	323	1
1985	371	551	24	68	347	
1986	383	582	29	66	284	2
1987	405	618	33	64	291	2

Additional food needs to support consumption for Nepal, with stock adjustment and as constrained by maximum absorbable imports

Commodity/year	Commercial import capacity		Status quo		Nutrition-based	
	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	18	3	237	39	721	119
1987/88	19	3	168	27	671	107
Stock adjustment						
1986/87			0	0	0	0
1987/88			0	0	0	0
Total						
1986/87			237	39	721	119
1987/88			168	27	671	107
Maximum absorbable						
Cereal equivalent						
1986/87			237	39	382	63
1987/88			168	27	316	51

SRI LANKA

Compared with ten years ago, Sri Lanka has greatly reduced its rice imports by substantially increasing production. Although no wheat is grown, wheat imports decreased until recently when they increased slowly. Rice imports have been stable at under 200,000 tons because of increasing local supplies. However, the country still imports about one-third of its cereal supply.

Despite the availability of irrigation to about two-thirds of both the Maha and Yala rice crops, weather has an important influence on the area harvested and the yield. In 1986, the Maha crop was affected by floods, and the Yala crop suffered dry weather during transplanting and the early part of the growing season. Thus rice production is projected to decline by more than 10 percent.

Favorable weather in 1985 should allow coconut production and exports in 1986 to remain at high levels. Nevertheless, Sri Lanka's merchandise trade deficit is not expected to improve in 1986, and its debt service may reach the unprecedented level of almost 30 percent of export earnings. Remittances comprise more than 15 percent of Sri Lanka's foreign exchange. With the slowdown in Middle East oil production, employment there and remittances to Sri Lanka are likely to stagnate. Thus, both reserves and foreign exchange available will probably decline.

The status quo estimate of cereal equivalent import needs for 1986/87 is now 921,000 tons, up 30,000 tons from the previous forecast, and about 50,000 tons of this need can be met by reducing stocks. If the historically high portion of available foreign exchange is alloted to commercial imports to help meet the production shortfall, status quo additional cereal needs will be 136,000 tons, compared with the earlier estimate of 115,000 tons. Nutrition-based additional cereal needs, including the stock adjustment, are now 86,000 tons, up 24,000 tons from the previous estimate.

For 1987/88, the outlook depends in part on the monsoon. With normal weather, additional food needs would remain about the same, with some rebuilding of rice and wheat stocks needed.

Sri Lanka basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	1,450	254	692	2,198	0	146	Wheat	13.8
1981/82	1,469	198	663	2,142	0	139	Rice	42.0
1982/83	1,466	188	789	2,226	0	142	Cassava	3.0
1983/84	1,688	217	728	2,317	0	145	Vegetable	
1984/85	1,640	316	705	2,430	0	150	oil	3.5
1985/86	1,809	231	820	2,542	0	154	Total	62.3
1986/87	1,600	318						
1987/88	1,850	318						
Roots								
1980/81	500	0	0	500	0	33		
1981/82	526	0	0	526	0	34		
1982/83	573	0	0	573	0	37		
1983/84	722	0	0	722	0	45		
1984/85	477	0	0	477	0	29		
1985/86	486	0	0	486	0	29		
1986/87	500	0						
1987/88	550	0						
Vegetable oils								
1980/81	78	0	(5)	73	0	5		
1981/82	103	0	(35)	68	0	4		
1982/83	87	0	(26)	61	0	4		
1983/84	37	0	1	38	0	2		
1984/85	130	0	(63)	67	0	4		
1985/86	140	0	(62)	78	0	5		
1986/87	135	0						
1987/88	140	0						

Import requirements for Sri Lanka

Commodity/year	Production	Total use		Import requirements		
		Status quo	Nutrition-based	Status quo	Nutrition-based	Maximum
		1,000 tons				
Cereals						
1986/87	1,600	2,485	2,448	885	848	1,176
1987/88	1,850	2,530	2,510	680	660	974
Roots						
1986/87	500	592	558	92	58	NA
1987/88	550	602	580	52	30	NA
Cereal Equivalent						
1986/87	1,796	2,717	2,667	921	871	1,231
1987/88	2,066	2,766	2,738	700	672	1,014
Vegetable oils						
1986/87	135	72	92	(63)	(43)	(54)
1987/88	140	73	94	(67)	(46)	(57)

Financial indicators for Sri Lanka, actual and projected

Year	Exports	Imports	Debt service	International reserves	Foreign exchange available	
					Total	Share to major food imports
	Million dollars					Percent
1980	1,477	2,269	229	246	1,248	15
1981	1,578	2,183	266	327	1,312	13
1982	1,612	2,322	300	351	1,312	9
1983	1,678	2,315	341	297	1,337	10
1984	2,073	2,269	317	511	1,756	7
1985	1,902	2,601	368	451	1,534	
1986	1,870	2,570	485	400	1,350	8
1987	1,942	2,640	537	400	1,358	8

Additional food needs to support consumption for Sri Lanka, with stock adjustment

Commodity/year	Commercial import capacity		Status-quo		Nutrition-based	
	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	708	93	188	25	137	18
1987/88	639	81	60	8	32	4
Stock Adjustment						
1986/87			(51)	(7)	(51)	(7)
1987/88			71	9	71	9
Total						
1986/87			136	18	86	11
1987/88			131	17	102	13
Vegetable oils						
1986/87	19	3	0	0	0	0
1987/88	1	0	0	0	0	0
Total						
1986/87		96		18		11
1987/88		81		17		13

Regional cereal production in 1986/87 is estimated at 54.0 million tons, slightly lower than the previous forecast because of smaller estimates of Cambodia's rice and corn crops. Downward revisions in Cambodia's historical corn output has led to a lower corn estimate, while dry weather during planting of the main rice crop has reduced the size of the rice harvest. The region's total status quo import requirements for cereals, roots, and tubers are now estimated at 2.0 million tons, 4 percent higher than the earlier projection, with Cambodia accounting for all of the increase. The Philippines still account for the bulk of estimated import requirements, with Vietnam and Cambodia accounting for the remainder. Total nutrition-based cereal import needs, also confined to the Philippines, Vietnam, and Cambodia, continue to be estimated at 3.1 million tons. Assuming average weather, the region's cereal output is expected to expand in 1987/88, although at a slightly lower rate. Total status quo import needs are projected to rise to 2.1 million tons in 1987/88, while nutrition-based needs rise to 3.2 million tons.

All countries in the region continue to face tight balance of payments outlooks. The Philippines assessment continues to assume that there will be further rescheduling of the country's larger external debt payments in 1986 and 1987, in which case commercial import capacity will likely be adequate to meet virtually all cereal import needs. However, if debt rescheduling does not occur, the Philippines additional cereal needs could be substantial. According to current status quo estimates, Cambodia accounts for all the region's 1986/87 additional cereal needs, now estimated at 130,000 tons, up 116,000 tons from the previous forecast. Nutrition-based additional needs are nearly unchanged from the previous forecast of 355,000 tons, with Cambodia and the Philippines accounting for all of the total. Projections for 1987/88 indicate that the region's additional cereal needs will be confined to Cambodia, where both status quo and nutrition-based needs will remain near those estimated for 1986/87.

Southeast Asia basic food data

Commodity	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	1,000 tons			Thousand	Kilos
Major cereals					
1980/81	42,022	2,891	5,538	260,707	179
1981/82	45,589	3,858	4,011	266,846	184
1982/83	45,501	4,381	4,058	272,908	184
1983/84	49,340	3,683	4,956	278,935	195
1984/85	52,177	3,452	4,291	285,228	194
1985/86	52,325	4,676	3,486	291,763	193
1986/87	54,045	4,260		298,448	
1987/88	55,375	4,260		305,267	

Southeast Asia cereal use, additional needs to support consumption, and stock adjustment

Commodity/year	Total Use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	61,363	59,789	130	24	315	57
1987/88	62,759	61,173	132	23	321	57
Stock Adjustment						
1986/87			0	0	391	43
1987/88			0	0	0	0
Total						
1986/87			130	24	355	62
1987/88			132	23	321	57

Cambodia's agricultural situation continues to be difficult to assess because of limited information. The forecast of 1986/87 cereal output has been reduced to 922,000 tons, about 6 percent below the previous estimate, because of reductions in the 1986/87 rice and corn crops. Delayed planting of the main rice crop because of dry weather has led to a smaller estimate of the rice crop, although favorable weather after planting is expected to allow production to match last year's harvest. The lower corn estimate is the result of downward revisions in historical corn output data. As a result of lower production forecasts, estimated 1986/87 cereal import requirements to support status quo consumption have nearly doubled from the previous estimate to 240,000 tons. Imports needed to close the nutritional gap are now estimated at 426,000 tons. Assuming average weather and modest production gains in 1987/88, both status quo and nutrition-based cereal import needs will likely rise slightly.

While financial information is incomplete, Cambodia's ability to compensate for the drop in cereal production through commercial imports appears extremely limited. Estimated additional food needs to support status quo consumption have risen substantially to 130,000 tons (up 116,000 tons) in 1986/87. Nutrition-based additional needs are estimated at 315,000 tons (up 57,000 tons). Both status quo and nutrition-based additional needs are projected to increase slightly in 1987/88.

Cambodia basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity: coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	1,045	0	162	1,157	0	203	Wheat	1.9
1981/82	854	50	180	1,059	0	183	Rice	72.9
1982/83	928	25	107	1,035	0	176	Corn	6.9
1983/84	1,111	25	185	1,296	0	216	Total	81.7
1984/85	922	25	85	1,007	0	165		
1985/86	922	25	85	1,007	0	161		
1986/87	922	25						
1987/88	940	25						

Import requirements for Cambodia

Commodity/Year	Production	Total use: Status quo	Total use: Nutrition-based	Import requirements: Status quo	Import requirements: Nutrition-based	Import requirements: Maximum
	1,000 tons					
Cereal equivalent						
1986/87	922	1,162	1,348	240	426	479
1987/88	940	1,186	1,375	246	435	488

Financial indicators for Cambodia, actual and projected

Year	Exports	Imports	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
	FINANCIAL DATA NOT AVAILABLE					

Additional food needs to support consumption for Cambodia, and as constrained by maximum absorbable imports

Commodity/year	Commercial import capacity: Quantity	Commercial import capacity: Value	Status quo: Quantity	Status quo: Value	Nutrition-based: Quantity	Nutrition-based: Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
1986/87	111	20	130	24	315	57
1987/88	114	20	132	23	321	57

Caribbean

Significant increases in estimates of grain production and commercial import capacity since August 1986 have reduced both the status quo and nutrition based needs of the Caribbean, particularly the Dominican Republic.

Currently the 1986-87 and 1987-88 status quo import needs including the stocks adjustment, are estimated at 130,000 tons and 74,000 tons, and the nutrition-based needs are 184,000 tons and 155,000 tons, respectively. These assessments are down from 208,000 tons and 196,000 tons for status quo and 314,000 tons and 305,000 tons for nutrition-based needs as reported in August.

Caribbean basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	1,000 tons			Thousand	Kilos
Major cereals					
1980/81	852	99	979	13,743	131
1981/82	711	131	896	14,046	116
1982/83	790	115	935	14,355	121
1983/84	759	139	964	14,673	121
1984/85	796	95	1,062	14,918	125
1985/86	681	73	1,165	15,328	124
1986/87	761	74		15,700	
1987/88	779	74		15,993	

Caribbean cereal use, additional food needs to support consumption, and stock asjustment

Commodity/year	Total Use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million $
Major cereals						
Consumption						
1986/87	2,356	2,378	85	14	164	27
1987/88	2,409	2,429	74	12	155	25
Stock Adjustment						
1986/87			77	9	77	9
1987/88			1	0	1	0
Total						
1986/87			130	19	184	30
1987/88			74	12	155	25

Changes in producer prices for rice and corn have favored corn production since 1984. Dominican farmers have responded by increasing corn production dramatically, and additional increases are now expected in 1987/88. This will most likely lower corn imports.

The value of exports and export credits for goods and services are reported to be higher in 1986 and 1987 than were previously estimated. Strengthened export prices for many traditional commodities like coffee, and diversification into nontraditional ones such as manufactured goods and fruits and vegetables are expected to contribute to these added export earnings. More stringent government import policies are also expected to further reduce imports.

The increased commercial import capacity from improved trade balances and financial changes reduce additional food needs to zero.

The Dominican Republic's decisions on the repayment of its foreign debt will deterine its food import requirements. If the Dominican Republic did neet its foreign debt obligations, food aid requirements would balloon. The Dominican Republic will most likely meet some of these obligations, but not all. As long as the Dominican Republic continues to build up foreign reserves in lieu of paying foreign debt, its commercial import capacity will nearly cover its status quo import needs.

Status–quo additional cereal needs (including the stock adjustment) declined from 104,000 tons in 1986/87 and 111,000 tons in 1987/88, as reported in August, to 26,000 tons in 1986/87 and zero in 1987/88. Nutrition–based cereal needs previously report above status quo needs are now nearly zero. Nutrition based needs for milk are 10,000–11,000 tons, down from 16,000–17,000.

Dominican Republic basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	299	86	363	438	180	109	Wheat	9.1
1981/82	334	130	315	478	195	115	Rice	20.8
1982/83	400	106	342	518	224	124	Corn	2.2
1983/84	374	106	400	549	260	132	Dry beans	3.5
1984/85	375	71	400	527	270	128	Cassava	1.7
1985/86	345	49	505	514	335	132	Plantains	8.6
1986/87	380	50					Bananas	3.6
1987/88	395	50					Milk	6.2
							Total	55.7
Roots								
1980/81	1,050	0	(10)	1,040	0	183		
1981/82	1,105	0	(21)	1,084	0	186		
1982/83	1,080	0	(12)	1,068	0	179		
1983/84	1,092	0	(26)	1,066	0	174		
1984/85	1,088	0	(25)	1,063	0	171		
1985/86	1,114	0	(30)	1,084	0	168		
1986/87	1,130	0						
1987/88	1,150	0						
Pulses								
1980/81	40	0	0	40	0	7		
1981/82	43	0	0	43	0	7		
1982/83	41	0	0	41	0	7		
1983/84	38	0	0	38	0	6		
1984/85	34	0	8	42	0	7		
1985/86	42	0	0	42	0	7		
1986/87	41	0						
1987/88	46	0						
Milk								
1980/81	350	0	0	350	0	61		
1981/82	350	0	0	350	0	60		
1982/83	352	0	0	352	0	59		
1983/84	353	0	0	353	0	58		
1984/85	350	0	0	350	0	56		
1985/86	375	0	0	375	0	58		
1986/87	400	0						
1987/88	425	0						

Import requirements for Dominican Republic

Commodity/year	Production	Total use		Import requirements		
		Status quo	Nutrition-based	Status quo	Nutrition-based	Maximum
		1,000 tons				
Major cereals						
1986/87	380	809	803	429	423	590
1987/88	395	829	823	434	428	596
Roots						
1986/87	1,130	1,178	1,136	48	6	210
1987/88	1,150	1,207	1,163	57	13	222
Cereal Equivalent						
1986/87	695	1,137	1,113	442	418	595
1987/88	715	1,164	1,140	449	425	603
Pulses						
1986/87	41	45	59	4	18	8
1987/88	46	46	61	(0)	15	4
Milk						
1986/87	400	399	418	(1)	18	1
1987/88	425	422	443	(3)	18	(0)

Financial indicators for Dominican Republic, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available	
					Total	Share to major food imports
	Million dollars					Percent
1980	1,313	2,171	157	202	1,156	8
1981	1,524	2,107	234	225	1,291	10
1982	1,146	1,793	260	129	886	10
1983	1,249	1,885	225	171	1,024	10
1984	1,378	1,810	200	254	1,178	8
1985	1,270	1,900	164	340	1,106	
1986	1,360	1,900	240	300	1,190	9
1987	1,400	1,900	247	300	1,223	9

Additional food needs to support consumption for Dominican Republic, with stock adjustment and as constrained by maximum absorbable imports

Commodity/year	Commercial import capacity		Status quo		Nutrition-based	
	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	473	45	0	0	0	0
1987/88	500	47	0	0	0	0
Stock Adjustment						
1986/87			57	5	57	5
1987/88			0	0	0	0
Total						
1986/87			26	3	2	0
1987/88			0	0	0	0
Pulses						
1986/87	0	0	0	0	7	3
1987/88	0	0	0	0	0	0
Milk						
1986/87	8	10	0	0	11	14
1987/88	8	11	0	0	10	13
Total						
1986/87		56		3		17
1987/88		58		0		13
Maximum absorbable						
Cereal equivalent						
1986/87			26	3	2	0
1987/88			0	0	0	0
Pulses						
1986/87			0	0	0	0
1987/88			0	0	0	0
Milk						
1986/87			0	0	0	0
1987/88			0	0	0	0
Total						
1986/87				3		0
1987/88				0		0

1/ Surplus pulse import capacity offsets some additional cereal needs.

Central America

The Central American region experienced one of the worst drought's of the century in early 1986. Consequently, cereal production is projected to decline in 1986/87 about 3 percent as losses in El Salvador and Nicaragua rice and corn output more than offset some increased harvests in Costa Rica, Guatemala, and Honduras.

Central American food aid needs have been largely due to financial factors, but this quarter the increase in import requirements has been a combination of production and financial difficulties.

The region's status quo import requirements are expected to increase to 900,000 tons in 1986/87, with El Salvador and Guatemala taking 36 percent and 21 percent, respectively. Nutrition-based import requirements are projected to increase 17 percent to 1.06 million tons because of a sharp increase in El Salvador's and Nicaragua's needs.

The Central American countries continue to have extremely tight balance of payment situations in spite of debt rescheduling. This fragile balance of payments position further constrains the commercial import capacity of these countries. Growth in export earnings is also expected to remain low.

Status quo additional food needs to support both consumption and stock building in the region are estimated at 442,000 tons of cereals in 1986/87, up from 239,000 tons in the August assessment. Nutrition-based additional food needs are estimated at about 620,000 tons of cereal, with El Salvador accounting for almost 50 percent.

Central America basic food data

Commodity/year	Actual or cast production	Beginning stocks	Net imports	Population	Per capita total use
	1,000 tons			Thousand	Kilos
Major cereals					
1980/81	2,456	418	708	20,344	157
1981/82	2,670	409	502	20,759	160
1982/83	2,518	353	661	21,327	158
1983/84	2,656	338	677	21,905	161
1984/85	2,840	389	612	22,547	165
1985/86	2,789	493	672	23,230	171
1986/87	2,708	485		23,912	
1987/88	2,860	485		24,614	

Central America cereal use, additional food needs to support consumption, and stock adjustment

Commodity/year	Total Use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	3,615	3,765	387	65	555	81
1987/88	3,721	3,867	373	58	457	61
Stock adjustment						
1986/87			77	12	77	12
1987/88			20	4	25	4
Total						
1986/87			442	74	632	93
1987/88			390	62	476	65
Maximum absorbable						
Cereal equivalent						
1986/87			442	74	613	90
1987/88			390	62	476	65

EL SALVADOR

El Salvador's cereal production is forecast down more than 16 percent to a record low 550,000 tons in 1986/87. A severe drought that began the second week of July and continued until the end of September was particularly devastating in the major cereal growing region of the northern and eastern part of the country. About 30 percent of the national corn harvest was estimated to be lost. The subsistence farmers were affected considerably and an emergency relief program was implemented to help them. The program included a line of credit for refinancing loans, a credit package for farmers that had lost 50 percent or more of their crops and farm less than 5 manzanas, and an expanded purchase and sales program by the Supply Regulating Institute (government marketing and price stabilization agency).

El Salvador's status quo cereal import requirements are placed at about 325,000 tons for both 1986/87 and 1987/88 because of the poor outlook for the grain crop. Nutrition-based cereal import requirements are placed even higher, at 420,000 and 406,000 tons, more than double the July estimate.

El Salvador's balance of payments position is projected to remain very fragile during 1986/87 and 1987/88. Foreign assistance was of vital importance in maintaining some growth and equilibrium in the Salvadorean economy. Debt service payments have been lowered from 26 percent of total exports in 1985 to 13 percent in 1986 and 1987.

El Salvador's status quo additional cereal needs are estimated at 262,000 and 245,000 tons in 1986/87 and 1987/88. Current balance of payments projections indicate that El Salvador's commercial import capacity will be adequate to finance less than one third of its status quo and nutrition-based need in 1986/87 and 1987/88. To achieve the FAO recommended diet and to build cereal stocks to the recommended food security level, additional cereal imports are assessed at 360,000 and 326,000 tons in 1986/87 and 1987/88, respectively.

El Salvador's status quo and nutrition-based food needs may easily be larger after the assessment of damages from the earthquake that hit the country on October 10.

El Salvador basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	697	98	148	630	199	176	Wheat	8.7
1981/82	664	114	149	643	194	182	Rice	3.5
1982/83	552	90	179	572	193	163	Corn	39.7
1983/84	586	56	226	565	194	158	Sorghum	1.8
1984/85	701	112	124	559	211	156	Dry beans	3.8
1985/86	663	167	122	558	228	154	Total	57.6
1986/87	555	166						
1987/88	580	166						
Pulses								
1980/81	40	9	1	44	0	9		
1981/82	38	6	2	46	0	10		
1982/83	38	0	13	51	0	11		
1983/84	42	0	0	42	0	9		
1984/85	48	0	10	58	0	12		
1985/86	34	0	10	44	0	9		
1986/87	40	0						
1987/88	45	0						

Import requirements for El Salvador

Commodity/year	Production	Total use		Import requirements		
		Status quo	Nutrition-based	Status quo	Nutrition-based	Maximum
	1,000 tons					
Major cereals						
1986/87	555	878	975	323	420	402
1987/88	580	904	986	324	406	406
Pulses						
1986/87	40	53	53	13	13	32
1987/88	45	55	55	10	10	29

Financial indicators for El Salvador, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available: Total	Foreign exchange available: Share to major food imports
	Million dollars					Percent
1980	1,271	1,289	42	78	1,229	5
1981	970	1,281	48	72	923	5
1982	872	1,196	68	109	804	4
1983	908	1,217	156	160	752	5
1984	954	1,316	194	166	760	5
1985	971	1,318	256	180	715	
1986	995	1,337	125	200	836	5
1987	1,025	1,340	129	200	861	5

Additional food needs to support consumption for El Salvador, with stock adjustment

Commodity/year	Commercial import capacity: Quantity	Commercial import capacity: Value	Status quo: Quantity	Status quo: Value	Nutrition-based: Quantity	Nutrition-based: Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Cereal equivalent						
Consumption						
1986/87	80	11	243	34	340	48
1987/88	85	12	239	33	320	44
Stock adjustment						
1986/87			19	3	19	3
1987/88			6	1	6	1
Total						
1986/87			262	37	359	50
1987/88			245	33	326	44
Pulses						
1986/87	2	1	11	8	11	8
1987/88	2	1	8	6	8	6
Total						
1986/87		12		45		58
1987/88		13		39		50
Maximum absorbable Cereal equivalent						
1986/87			262	37	341	48
1987/88			245	33	326	44
Pulses						
1986/87			11	8	11	8
1987/88			8	6	8	6
Total						
1986/87				45		56
1987/88				39		50

1/ Surplus pulse import capacity offsets some cereal needs.

NICARAGUA

Lower than average rainfall throughout western Nicaragua had a serious impact on cereal production and a profound long-term impact on cotton output. Cotton is Nicaragua's second largest export earner after coffee. The drought came at a time when the government was attempting to reach self-sufficiency in production of basic grains.

However, Nicaragua's total cereal import requirements are now estimated at 140,000 tons for both 1986/87 and 1987/88, slightly lower than last quarter's estimate.

The country's balance of payment position continues to deteriorate, causing further decline in commercial import capacity. Nicaragua's trade deficit is expected to reach over $700 million in 1986 because of the decrease in export earnings from cotton. Consequently, debt service payments have been increased from 20 percent of total exports in 1985 to 23 percent in 1986 and 1987.

Given the commercial import capacity of only 42,000 tons of cereal, Nicaragua will need 108,000 tons of cereal (including adjustments for stocks) for additional food needs to support consumption in 1986/87, using the status quo approach. This estimate, valued at $29 million, is considerably higher than the estimate last quarter. Nutrition-based additional cereal import needs are placed at about 39,000 tons valued at $10 million, compared with an estimate of zero last quarter.

Nicaragua basic food data

Commodity/year	Actual or forecast production	Begin-ning stocks	Net imports	Nonfeed use	Feed use	Per capita total use	1979-81 Commodity coverage	1979-81 Share of diet
	1,000 tons					Kilos		Percent
Major cereals								
1980/81	243	29	117	357	0	148	Wheat	4.0
1981/82	276	51	72	374	0	151	Rice	12.6
1982/83	267	44	116	415	0	163	Corn	27.7
1983/84	298	26	110	434	0	165	Dry beans	5.7
1984/85	256	0	115	371	0	137	Total	50.0
1985/86	281	0	130	411	0	148		
1986/87	280	0						
1987/88	290	0						
Pulses								
1980/81	39	7	8	51	0	21		
1981/82	55	3	0	51	0	21		
1982/83	60	7	0	53	0	21		
1983/84	59	14	(10)	54	0	21		
1984/85	60	9	0	61	0	23		
1985/86	60	8	0	60	0	22		
1986/87	60	8						
1987/88	60	8						

Import requirements for Nicaragua

Commodity/year	Production	Total use		Import requirements		
		Status quo	Nutrition-based	Status quo	Nutrition-based	Maximum
	1,000 tons					
Major cereals						
1986/87	280	419	350	139	70	225
1987/88	290	431	360	141	70	228
Pulses						
1986/87	60	60	46	(0)	(14)	11
1987/88	60	61	47	1	(13)	12

Financial indicators for Nicaragua, actual and projected

Year	Exports and other credits	Imports and other debits	Debt service	International reserves	Foreign exchange available	
					Total	Share to major food imports
	Million dollars					Percent
1980	514	1,017	82	65	432	10
1981	582	1,158	161	111	421	18
1982	456	978	163	171	293	19
1983	470	993	82	175	388	14
1984	465	1,000	59	125	406	14
1985	345	1,092	70	100	275	
1986	290	1,040	68	100	131	16
1987	395	1,020	92	100	215	16

Additional food needs to support consumption for Nicaragua, with stock adjustment

Commodity/year	Commercial import capacity		Status quo		Nutrition-based	
	Quantity	Value	Quantity	Value	Quantity	Value
	1,000 tons	Million $	1,000 tons	Million $	1,000 tons	Million $
Major cereals						
Consumption						
1986/87	42	11	96	25	26	7
1987/88	71	18	70	18	0	0
Stock adjustment						
1986/87			13	3	13	3
1987/88			9	2	9	2
Total						
1986/87			108	29	39	10
1987/88			79	20	6	2
Pulses						
1986/87	1	0	0	0	0	0
1987/88	1	0	0	0	0	0
Total						
1986/87		11		29		10
1987/88		19		20		2

South America

The Andean countries--Peru, Bolivia, Ecuador and Colombia--had some shortfalls in grain production in 1985/86, but early indications are for improved crops in 1986/87.

Foreign debt problems continue, particularly in Bolivia and Peru, which have foregone debt repayment in recent years. Bolivia, Peru, and Ecuador have declining export earnings because of falling petroleum prices, which preclude use of petroleum exports as a source of revenue for debt repayment. All, however, are enjoying windfall export earnings from coffee in 1986.

All but Bolivia are realizing some economic growth, but population growth is nearly matching GDP so no real gain is occurring for most people. Despite the poor economic health of some countries, South America has no status quo additional food needs. Because of the chronic shortage of calories, however, additional nutrition-based needs, including those required for stock adjustments, total 295,000 tons in 1986/87 and 218,000 tons in 1987/88. Nearly all of the nutrition-based food needs are in Bolivia.

South America basic food data

Commodity/year	Actual or forecast production	Beginning stocks	Net imports	Population	Per capita total use
	1,000 tons			Thousand	Kilos
Major cereals					
1980/81	3,898	1,016	2,589	55,803	116
1981/82	4,452	1,056	2,552	57,032	122
1982/83	4,536	1,099	2,496	58,319	122
1983/84	4,056	1,037	2,808	59,657	118
1984/85	4,793	864	2,286	61,046	113
1985/86	4,651	1,061	2,585	62,486	115
1986/87	4,713	1,051		63,955	
1987/88	4,745	1,051		65,460	

South America cereal use, additional food needs to support consumption, and stock adjustment

Commodity/year	Total Use		Additional needs			
	Status quo	Nutrition-based	Status quo		Nutrition-based	
			Quantity	Value	Quantity	Value
	1,000 tons	1,000 tons	1,000 tons	Million $	1,000 tons	Million $
Major cereals						
Consumption						
1986/87	10,321	10,347	0	0	229	30
1987/88	10,565	10,567	0	0	197	25
Stock adjustment						
1986/87			78	10	116	16
1987/88			45	6	45	6
Total						
1986/87			0	0	295	40
1987/88			0	0	218	27
Maximum absorbable						
Cereal equivalent						
1986/87			0	0	190	26
1987/88			0	0	118	15

Glossary of terms

Status quo	A measure of per capita food availability in recent years.
Nutrition-based	Per capita food availability sufficient to meet internationally accepted minimum caloric standards
Cereal equivalent	Cereal required to meet both cereal shortfalls and cereal equivalent (caloric basis) shortfalls in roots and tubers
Import requirement	Imports necessary to achieve either status quo or nutrition-based food availability, including both commercial and concessional food shipments
Tons	Metric tons
Dollars	U.S. dollars unless otherwise specified
GNP	Gross national product
GDP	Gross domestic product

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	(2)	6250 BPI, Seq.	125	____	_____
Policy Impact Codes	(1)	ASCII files	20	____	_____
	(2)	6250 BPI, Seq.	125	____	_____
	(3)	6250 BPI, SPSSX	125	____	_____
Rural Fire Protection		ASCII files	20	____	_____
Turkey's Grain		Lotus 1-2-3 Rel. 1	20	____	_____
U.S. Dry Beans		Lotus 1-2-3 Rel. 1	20	____	_____
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